

ORIGINAL

NEW APPLICATION



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ARIZONA CORPORATION COMMISSION
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Arizona Corporation Commission

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MAY 30 2012

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Attorneys for Valley Utilities Water Company, Inc.

DOCKETED BY

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
COMPANY, INC., AN ARIZONA
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS UTILITY
PLANT AND PROPERTY AND FOR AN
INCREASE IN ITS RATES AND CHARGES
FOR UTILITY SERVICE BASED THEREON.

DOCKET NO W-01412A-12-0195

APPLICATION

Valley Utilities Water Company, Inc., an Arizona public service corporation ("Valley Utilities" or "Company"), hereby applies for an order establishing the fair value of its plant and property used for the provision of public water service and, based on such finding, approving permanent rates and charges for utility service designed to produce a fair return thereon. In support thereof, Valley Utilities states as follows:

1. Valley Utilities is a public service corporation engaged in providing water utility service within unincorporated portions of Maricopa County, Arizona, pursuant to a Certificate of Convenience and Necessity granted by the Arizona Corporation Commission ("Commission)." During the test year, Valley Utilities served approximately 1,400 water service connections, consisting primarily of single-family homes.

2. Valley Utilities' business office is located at 6808 N. Dysart Rd., Suite 112, Glendale, Arizona, 85307, and its telephone number is (623) 935-1100. Robert L. Prince

1 is the President of Valley Utilities, and is responsible for managing all of the operational,
2 administrative, financial and regulatory performance of the Company.

3 3. The persons responsible for overseeing and directing the conduct of this rate
4 Application are Robert Prince and the Company's rate case consultant, Ray L. Jones, P.E.,
5 Principal of ARICOR Water Solutions. Mr. Prince's mailing address is 6808 N. Dysart
6 Rd., Suite 112, Glendale, Arizona, 85307; his telephone number is (623) 935-1100 and
7 email address is bobprince@vuwco.com. Mr. Jones' business address is 25213 N. 49th
8 Drive, Phoenix, Arizona 85083; his telephone number is (623) 341-4771 and email
9 address is ray.jones@aricor.com. **All discovery, data requests and other requests for**
10 **information concerning this Application should be directed to Mr. Prince, including**
11 **copies by e-mail, and to Mr. Jones, with a copy to undersigned counsel for the**
12 **Company, including by e-mail to jshapiro@fclaw.com and wbirk@fclaw.com.**

13 4. The Company's present rates and charges were approved by the
14 Commission in Decision No. 71482 (February 3, 2010) using a year ending on June 30,
15 2008.

16 5. Valley Utilities maintains that revenues from its utility operations are
17 presently inadequate to provide the Company a fair rate of return on the fair value of its
18 utility plant and property devoted to public water utility service. Operating expenses have
19 also increased since the last test year. These changes have caused the revenues produced
20 by the current rates and charges for water utility service to become inadequate to meet
21 operating expenses and provide the Company a reasonable rate of return. Therefore, the
22 Company requests that certain adjustments to its rates and charges for utility service be
23 approved by the Commission so that the Company may recover its operating expenses and
24 be given an opportunity to earn a just and reasonable rate of return on the fair value of its
25 property. The Company agrees to use its original cost rate base as its fair value rate base
26 in this proceeding to minimize disputes and reduce rate case expense.

1 6. Filed concurrently herewith are the schedules required pursuant to A.A.C.
2 R14-2-103 for rate applications by Class "B" utilities, with the exception of the schedules
3 labeled "G" (cost of service analysis). The latter schedules have been omitted because (1)
4 Valley Utilities is not in a segment of the utility industry that recognizes cost of service
5 studies as important tools for rate design; and (2) the Company does not believe the costs
6 it incurs are likely to vary significantly from one defined segment of customers to another.
7 The test year utilized by the Company in connection with the preparation of such
8 schedules is the 12-month period that ended December 31, 2011. Valley Utilities requests
9 that the Commission utilize such test year in connection with this Application, with
10 appropriate adjustments to obtain a normal or more realistic relationship between
11 revenues, expenses and rate base during the period in which the rates established in this
12 proceeding are in effect.

13 7. During the test year, the Company's adjusted gross revenues were
14 \$1,454,522 from water utility service. The adjusted operating income (loss) was \$19,630,
15 leading to an operating income deficiency of \$122,386. The adjusted fair value rate base
16 was \$2,201,395. Thus, the rate of return on the Company's water operations during the
17 test year was 0.89 percent.

18 8. Valley Utilities submits that the overall rate of return to the Company is too
19 low to allow it to pay reasonable dividends, maintain a sound credit rating, and/or enable
20 the Company to attract additional capital on reasonable and acceptable terms in order to
21 continue the investment in utility plant necessary to adequately serve customers.

22 9. Valley Utilities is requesting an increase in revenues equal to \$157,015, an
23 increase in revenues of 10.79 percent. The adjustments to the Company's rates and
24 charges that are proposed herein, when fully implemented, will produce a rate of return on
25 the fair value rate base equal to 6.451 percent.

26 10. Filed concurrently in support of this Application is the Direct Testimony of

1 Ray L. Jones, which describes Valley Utilities' water system and operations, provides a
2 brief history of the Company's recent regulatory activity, gives an overview of the
3 Company's rate filing, discusses the revenue requirement, including the "A" through "F"
4 schedules, development of the rate base and income statement adjustments, proposed
5 rates, including the "H" schedules, and the effects of the proposed rates on customers'
6 bills, and addresses the Company's request to make permanent the Arsenic Remediation
7 Surcharge Mechanism (ARSM) approved in Decision No. 71287 (October 7, 2009).

8 11. Attached hereto as **Attachment 1** are the water plant descriptions and a
9 completed water use data sheet.

10 WHEREFORE, Valley Utilities respectfully requests the following relief:

11 A. That the Commission, upon proper notice and at the earliest possible time,
12 conduct a hearing in accordance with A.R.S. § 40-251 and determine the fair value of
13 Valley Utilities' utility water plant and property devoted to providing water utility service;

14 B. Based upon such determination, that the Commission approve permanent
15 adjustments to the rates and charges for utility service provided by Valley Utilities, as
16 proposed by the Company herein, or approve such other rates and charges as will produce
17 a just and reasonable rate of return on the fair value of the Company's utility plant and
18 property; and


19 C. That the Commission authorize such other and further relief as may be
20 appropriate to ensure that Valley Utilities has an opportunity to earn a just and reasonable
21 return on the fair value of its utility plant and property and as may otherwise be required
22 under Arizona law; and

23 D. That the Commission approve Valley Utilities' request to make permanent
24 the Arsenic Remediation Surcharge Mechanism (ARSM) approved in Decision No.
25 71287.

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RESPECTFULLY SUBMITTED this 30th day of May, 2012.

FENNEMORE CRAIG, P.C.

By: 
Jay L. Shapiro
Attorneys for Valley Utilities Water
Company, Inc.

ORIGINAL and 15 copies filed
this 30th day of May, 2012 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By: 
7017038.2/024964.0005

Valley Utilities Water Company, Inc.

Application

Attachment 1

COMPANY NAME	VALLEY UTILITIES WATER CO., INC.
Name of System:	ADEQ Public Water System Number: 07-079

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
See Attachment A						

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Liberty Water	400	954

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
See Attachment A		201	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
See Attachment A		See Attachment A	

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	VALLEY UTILITIES WATER CO., INC.
Name of System:	ADEQ Public Water System Number: 07-079

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4	AC & PVC	10,000
5		
6	AC & DIP	78,034
8	AC & DIP	52,911
10	DIP	2,952
12	AC & DIP	5,925

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	104
3/4	844
1	398
1 1/2	12
2	50
Comp. 3	
Turbo 3	2
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

2 – Arsenic Treatment Facilities	_____
2 – 300 Gallon Liquid Chlorinators	_____
1 – 100 Gallon Liquid Chlorinator	_____

STRUCTURES:

2 Arsenic Treatment Buildings, 2400 and 1200 sq ft.	_____
Motor Control Center, 264 sq ft.	_____
Motor Control Center, 192 sq ft.	_____

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: VALLEY UTILITIES WATER CO., INC.

Name of System: ADEQ Public Water System Number: 07-079

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2011

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1,386	15,393	17,468	
FEBRUARY	1,399	18,453	20,286	
MARCH	1,392	18,910	20,193	
APRIL	1,393	21,304	22,657	700
MAY	1,395	29,334	30,588	254
JUNE	1,394	30,796	33,874	
JULY	1,393	40,909	43,390	
AUGUST	1,400	31,893	34,859	
SEPTEMBER	1,402	31,273	35,500	
OCTOBER	1,407	28,556	30,829	
NOVEMBER	1,409	18,970	20,838	
DECEMBER	1,410	15,639	17,390	
TOTALS →			327,872	954

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

See Attachment A

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
(X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

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3 Phoenix, Arizona 85012
Telephone (602) 916-5000

4 Attorneys for Valley Utilities Water Company, Inc.
5
6

7 **BEFORE THE ARIZONA CORPORATION COMMISSION**
8

9 IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
10 COMPANY, INC. FOR A
DETERMINATION OF THE FAIR VALUE
11 OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN
12 ITS WATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO: W-01412A-12-_____

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15
16 **DIRECT TESTIMONY OF**
17 **RAY L. JONES, P.E.**

18 **May 30, 2012**
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1 **I. INTRODUCTION AND PURPOSE OF TESTIMONY**

2 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

3 A. On behalf of the Applicant Valley Utilities Water Company, Inc. ("Valley" or the
4 "Company").

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am the owner and principal of ARICOR Water Solutions LC.

7 **Q. WHAT WAS YOUR EDUCATIONAL AND EMPLOYMENT**
8 **BACKGROUND BEFORE GOING TO WORK FOR ARICOR?**

9 A. I began my working career with Citizens Utilities Company ("Citizens") in 1985 as
10 a Staff Engineer for the Maricopa County water and wastewater division. I was
11 employed at Citizens for 17 years, ending my career there as Vice President and
12 General Manager for the Arizona water and wastewater operations. In 2002,
13 American Water ("American") purchased the water and wastewater assets of
14 Citizens and I joined American as the President of Arizona-American Water
15 Company. I left American in 2004 to start up ARICOR Water Solutions.

16 I received a Bachelor of Science in Civil Engineering in 1985 from the
17 University of Kansas and a Master of Business Administration in 1991 from
18 Arizona State University. I am a Registered Professional Engineer in Arizona and
19 California and a Grade 3 Certified Operator in Arizona for all four water and
20 wastewater classifications. I specialize in water resource issues, regulatory
21 strategies, rate case filings, and water and wastewater utility management and
22 operations. My resume is attached as **Exhibit RLJ-DT1**.

23 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?**

24 A. In my time with Citizens and American, I prepared or assisted in the preparation of
25 multiple filings before the Arizona Corporation Commission ("Commission"),
26 including rate applications and CC&N filings. Since starting ARICOR, I have

1 prepared several filings and assisted in the preparation of several more filings
2 before the Commission, including rate applications and CC&N filings. I have also
3 provided testimony in all of these cases before the Commission. A summary of my
4 regulatory work experience is included in my resume attached as **Exhibit RLJ-**
5 **DT1.**

6 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

7 A. To support Valley's application for rate relief. Specifically, I describe Valley's
8 water system and operations and provide a brief history of Valley's recent
9 regulatory activity. I will also provide an overview of this filing and testify in
10 support of the Company's proposed adjustments to its rates and charges for water
11 service. I testify concerning Valley's rate base, its net income (revenue and
12 operating expenses), its required level of revenues, and its rate design and proposed
13 rates and charges for service. Lastly, I sponsor the required filing schedules that
14 accompany this filing.

15
16 **II. VALLEY'S WATER SYSTEM AND OPERATIONS**

17 **Q. WHAT IS YOUR RELATIONSHIP TO VALLEY?**

18 A. I provide consulting services to Valley. Specifically, I assist and advise Valley on
19 a variety of matters related to their ownership and operation of their water system.
20 In my capacity as a consultant to Valley, I have been able to become familiar with
21 their facilities and operations.

22 **Q. WOULD YOU DESCRIBE VALLEY AND ITS WATER SYSTEM?**

23 A. Valley was issued a Certificate of Convenience and Necessity in 1954 to provide
24 water services to portions of unincorporated western Maricopa County, Arizona
25 located east of Luke Air Force Base.¹ Valley currently serves approximately 1,300

26 ¹ Decision No. 28487 (October 29, 1954).

1 homes, three large multi-family housing complexes with 838 total units, and
2 supporting neighborhood commercial development.

3 As of year-end 2011, Valley served approximately 1,415 water connections.
4 Valley's customer base is approximately 93% residential connections, with 95
5 commercial (including multi-family) connections and 5 fire service customers.
6 Residential customers are served with meters ranging in size from 5/8" x 3/4" to 1-
7 1/2", with the majority being served by 3/4" meters. The commercial customers
8 are served by meters ranging from 5/8"x 3/4" to 2" in size.

9 The Valley water system consists of four (4) water plant sites consisting of
10 six (6) active wells, two (2) arsenic treatment facilities, six (6) water storage tanks
11 and twelve (12) booster pumps. The water plants are interconnected by a looped
12 distribution system to provide system reliability. The system is designed to
13 provide a 1,000 gallon per minute fire flow. Valley has an interconnection with
14 Liberty Water that is used to supplement Valley's water supply and increase
15 reliability. A detailed description of Valley's water system is attached as **Exhibit**
16 **RLJ-DT2**.

17 **Q. WHAT IS YOUR OPINION OF VALLEY'S WATER FACILITIES AND**
18 **OPERATIONS?**

19 A. Historically, Valley's water system was a simple groundwater based water system
20 typical of those serving dispersed low density areas of development. More
21 recently, Valley has seen higher density development fill in its service area and has
22 made significant well, storage and booster station improvements to meet the
23 increased demands. Most significantly, Valley has installed arsenic treatment
24 facilities to remove arsenic from the water at the Glendale Well Yard and the
25 Bethany Hills West Booster Station site. Because of these improvements, Valley's
26 water system is now a relatively sophisticated system requiring increased levels of

operational expertise and effort, including increased maintenance, repairs and capital investment. Valley's water system is well maintained and provides reliable service to the community. Valley's small operations staff is highly knowledgeable regarding water system operations and have adapted well to the increased demands of operating a water system with two treatment facilities.

Q. DOES VALLEY HAVE A WATER CONSERVATION PROGRAM?

A. Yes. Valley is enrolled as a regulated Tier I municipal provider in ADWR's Modified Non-Per Capita Conservation Program ("NPCCP"). As a part of the program, Valley is required to have a Public Education Program and to implement one Best Management Practice ("BMP") in its service area. On September 18, 2009 ADWR approved the following BMP for Valley:

- Meter Repair and/or Replacement Program

In addition to the requirements of the ADWR NPCCP, the Commission required Valley to submit at least five BMPs for Commission consideration.² Valley submitted its proposed BMPs in June 2010 and they were approved on December 10, 2010.³ The approved BMP tariffs are:

- Youth Conservation Education Program Tariff
- Water Budgeting Program (Non-Residential) Tariff
- Customer High Water Use Inquiry Resolution Tariff
- Water Waste Investigations and Information Tariff
- Meter Repair and/or Replacement Tariff

Q. DOES VALLEY HAVE A PROGRAM TO ADDRESS WATER LOSSES?

A. Yes. All water providers in the Phoenix Active Management Area are required to track and report water losses to ADWR. Valley closely monitors this data and

² Decision No. 71482 (February 3, 2010).

³ Decision No. 72005 (December 10, 2010).

1 implements corrective action as warranted. Valley has implemented an ADWR
2 and Commission approved Meter Repair and/or Replacement Program designed to
3 prevent water losses. Valley has also implemented a valve repair program to
4 proactively address water losses caused by leaking and defective valves.

5 **Q. IS VALLEY'S WATER LOSS CONTROL PROGRAM EFFECTIVE?**

6 A. It is very effective. Water losses reported by ADWR for years 2005 through 2009
7 (the most recent three years reported) are consistently around 8.3% and have
8 averaged 8.29% for the three year period. Water losses calculated from Valley's
9 annual report to the Commission for years 2010 and 2011 are 7.86% and 8.33%
10 respectively.

11
12 **III. VALLEY'S REGULATORY HISTORY**

13 **Q. WOULD YOU SUMMARIZE VALLEY'S RECENT REGULATORY**
14 **ACTIVITY AND ITS RELATIONSHIP TO THIS APPLICATION?**

15 A. Valley has an active, recent history before the Commission. The activity was
16 necessary to allow Valley to make substantial needed investments in arsenic
17 treatment and other water supply and distribution facilities. The following listing
18 summarizes recent Commission decisions issued to Valley as they pertain to this
19 filing.

- 20 • Decision No. 68309 (November 14, 2005)
 - 21 ▪ Rate Increase
 - 22 ▪ Approval of Water Infrastructure and Finance Authority ("WIFA")
23 loan of \$1,926,100 for construction of arsenic treatment facilities
- 24 • Decision No. 70138 (January 23, 2008)
 - 25 ▪ Approval of WIFA loan of \$250,000 for replacing Well #6
 - 26 ▪ Approval of interim emergency well surcharge

- Decision No. 71287 (October 7, 2009)
 - Approval of Arsenic Remediation Surcharge Mechanism (“ARSM”)
- Decision No. 71482 (February 3, 2010)
 - Rate Increase
 - Arsenic treatment facilities not in service and not included in rate base (ARSM remains in effect)
 - Interim emergency well surcharge cancelled (Well #6 included in rate base)

IV. OVERVIEW OF VALLEY’S APPLICATION

Q. PLEASE SUMMARIZE THE COMPANY’S APPLICATION.

A. Valley requests a rate increase of \$157,015, or 10.79%, to allow it to earn a reasonable rate of return on its original cost rate base. The test year is the 12-month period ending December 31, 2011. Valley also proposes certain pro forma adjustments to account for known and measurable changes to rate base, expenses and revenues and to present a normalized and more realistic relationship between revenues, expenses and rate base.

Q. WHY IS THE COMPANY FILING FOR A RATE INCREASE AT THIS TIME?

A. Valley has completed construction of the arsenic treatment facilities addressed in Decision Nos. 68309, 71287 and 71482. The Glendale Arsenic Treatment Facility was placed into service in 2009 and the Bethany Arsenic Treatment Facility was placed into service in 2011. The arsenic treatment expenditures and other capital expenditures made over the past few years have significantly increased Valley’s rate base, equity investment and debt. Valley is asking for a rate increase in order to earn a fair return on these investments and ensure Valley has sufficient cash flow

1 to meet its debt service and other obligations. A summary of major plant facilities
2 placed into service, since the end of Valley's last test year (June 30, 2008), is
3 provided as **Exhibit RLJ-DT3**.

4 **Q. PLEASE IDENTIFY THE SCHEDULES PROVIDED WITH THIS**
5 **APPLICATION?**

6 A. I have prepared the following schedules which are attached as **Exhibit RLJ-DT4**.

- 7 • Schedules A-1 through A-5 – Summary Information.
- 8 • Schedules B-1 through B-5 – Rate Base Information and Adjustments.
- 9 • Schedules C-1 through C-3 – Income Statements and Adjustments.
- 10 • Schedules D-1 through D-4 – Cost of Capital Information.
- 11 • Schedules E-1 through E-9 – Financial Statements and Statistical Data.
- 12 • Schedules F-1 through F-4 – Projections and Forecasts.
- 13 • Schedules H-1 through H-5 – Effect of Proposed Rate Schedules.

14 I prepared these schedules based on my investigation and review of the relevant
15 books and records of Valley. G Schedules are omitted because the Company is not
16 proposing a change in its rate design and the Company did not feel it necessary to
17 prepare a cost of service study.

18
19 **V. ARSENIC REMEDIATION SURCHARGE MECHANISM (ARSM)**

20 **Q. PLEASE DESCRIBE THE ARSM APPROVED IN DECISION NO. 71287.**

21 A. The ARSM approved in Decision No. 71287 was designed to allow Valley to
22 recover the sum of the annual interest and principal payments and incremental
23 income taxes associated with the WIFA loan approved in Decision No. 68309. The
24 ARSM is a flat monthly charge which varies based on meter size. The ARSM is
25 \$5.51 for a 5/8" x 3/4" meter and is increased for large meter sizes based on meter
26 equivalency factors.

1 **Q. FOR WHAT PERIOD IS THE ARSM IN EFFECT?**

2 A. Decision No. 71287 provides that the ARSM shall cease upon the earlier date of
3 the effective date of the rates authorized in a rate proceeding subsequent to the rate
4 proceeding resulting in Decision No. 71482 or on August 31, 2013.

5 **Q. IS THIS RATE PROCEEDING THE FIRST RATE PROCEEDING FILED**
6 **BY VALLEY SUBSEQUENT TO DECISION NO. 71482?**

7 A. Yes it is. Accordingly, the current ARSM will expire at the earlier of the effective
8 date of rates authorized pursuant to this rate proceeding or August 31, 2013.

9 **Q. WHAT IS VALLEY'S REQUEST REGARDING THE ARSM?**

10 A. Valley is requesting that the ARSM be made permanent.

11 **Q. WHY IS VALLEY MAKING THIS REQUEST?**

12 A. Valley believes that leaving the ARSM in place is a practical way to conclude a
13 long process of increasing rates to fund arsenic treatment facilities with the least
14 amount of impact on its customers.

15 **Q. PLEASE EXPLAIN.**

16 A. This rate case is the final case in a series of rate increases and surcharge
17 implementations required to allow Valley to make substantial necessary
18 investments in arsenic treatment and other water supply and distribution facilities.
19 This case is effectively a true-up of the previous ratemaking activities. And
20 fortunately, the true-up is small with only an additional 10.79% increase in total
21 customer charges required to allow Valley to earn a fair rate of return on the
22 investments made over the past few years.

23 The ARSM is a simple flat rate charge presented as a separate line item on
24 customer's bills. The customers understand the charge, understand how much it
25 costs them each month and understand why the charge is on their bill. With the
26 ARSM left in place, customers will continue to pay a simple, predictable charge

1 they understand and receive a modest increase in rates. In contrast, eliminating the
2 ARSM will cause customer confusion. The ARSM will go away, but rates will
3 necessarily increase to provide the lost revenue.

4 The end result is that the lost ARSM revenue, a cost that Valley's customers
5 already pay, becomes a phantom increase in rates, making it difficult for customers
6 to determine the true impact of this rate case on their bills. Specifically, since the
7 ARSM makes up about 12% of the proposed revenue requirement, eliminating the
8 ARSM will cause a modest 10.79% increase in total charges appear as if it is a
9 much larger 23% increase in rates. It is for these reasons that Valley requests that
10 the ARSM be made permanent.

11 **Q. IF THE COMMISSION DECIDES THAT THE ARSM SHOULD BE**
12 **ELIMINATED AT THIS TIME, DO YOU HAVE A RECOMMENDATION**
13 **AS TO HOW THE REVENUE SHOULD BE REPLACED?**

14 **A.** Yes, Valley believes the ARSM revenue should be off-set with a dollar for dollar
15 increase in the base charge for each meter size. This is the option that provides for
16 the least amount of customer confusion and the most revenue stability for Valley.

17
18 **VI. RATE BASE AND RATE BASE ADJUSTMENTS**

19 **A. Plant In Service Review**

20 **Q. DID YOU CONDUCT A REVIEW OF VALLEY'S PLANT IN SERVICE IN**
21 **CONJUNCTION WITH PREPARING THIS FILING?**

22 **A.** Yes, I conducted a comprehensive review of Valley's plant addition and retirement
23 transactions recorded since the end of the prior test year.

24 **Q. PLEASE DESCRIBE THE SCOPE OF YOUR REVIEW OF VALLEY'S**
25 **PLANT ADDITIONS.**

26 **A.** Valley provided me a listing of all plant additions and retirements recorded since

1 July 1, 2008. Working with Valley management and operations personnel, each
2 entry was reviewed to determine the following:

- 3
- 4 • Is the asset entry an appropriate plant entry per the NARUC system of accounts?
 - 5 • Is the asset entry charged to the correct NARUC plant account?
 - 6 • Was a plant retirement recorded when appropriate?

7 **Q. WHAT CONCLUSIONS DID YOU REACH AFTER YOUR FIXED ASSET**
8 **REVIEW?**

9 A. I found Valley's records to be generally in good order and in compliance with the
10 NARUC system of accounts. The asset entries were generally complete with
11 detailed descriptions and good backup documentation.

12 Two items were discovered that needed attention.

- 13
- 14 • Some plant retirements had not been recorded on Valley's books.
 - 15 • Some assets were classified to the wrong NARUC plant account or required further breakdown to additional NARUC plant accounts.

16 **Q. WHAT ACTIONS DID YOU TAKE AFTER YOUR FIXED ASSET**
17 **REVIEW?**

18 A. I constructed an Excel spreadsheet listing all plant additions and retirements.
19 Adjusting entries were made to classify all assets to the correct NARUC plant
20 account. A listing of unbooked plant retirements totaling \$103,496 was prepared
21 and documented in an Excel spreadsheet. These updated and adjusted plant
22 additions and retirements were used in the preparation of the rate base schedules
23 and adjustments included in this filing.

1 **B. Rate Base**

2 **Q. HOW DID VALLEY ARRIVE AT ITS TEST YEAR ORIGINAL COST**
3 **RATE BASE SHOWN ON SCHEDULE B-1, LINE 22?**

4 A. The original cost rate base was calculated by establishing the balance of utility
5 plant in service at the end of the test year, per Valley's books, as shown in the first
6 column of Schedule B-2. Deductions were made for accumulated depreciation,
7 advances, net contributions, customer security deposits and deferred income taxes.
8 Working capital was included as an addition to rate base. The Company made
9 various pro forma adjustments (RB-1, RB-2 & RB-3) to the actual test-year-end
10 rate base to arrive at the adjusted test-year-end rate base of \$2,201,395. For this
11 case, Valley accepts its original cost rate base as its fair value rate base.

12 **C. Working Capital**

13 **Q. HOW DID VALLEY DETERMINE ITS WORKING CAPITAL**
14 **REQUIREMENT?**

15 A. The working capital was determined by adding Valley's estimated working cash
16 requirement to the test-year-end balances of materials and supplies inventory,
17 special deposits (required by WIFA), and prepayments.

18 **Q. HOW WAS THE WORKING CASH COMPONENT OF WORKING**
19 **CAPITAL ESTIMATED?**

20 A. A lead/lag study was used to estimate the working cash component of working
21 capital. A lead/lag study identifies the net lag between 1) the time from providing
22 services to the time customers pay for those services to 2) the time from incurring
23 expenses until those expenses are paid. For Valley, revenues lag expenses,
24 creating a positive cash working capital requirement of \$46,445.

1 **D. Rate Base Adjustments**

2 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT RB-1.**

3 A. Rate base adjustment RB-1, detailed on page 2 of Schedule B-2, increases the plant
4 in service balance by a net of \$20,555 after considering several separate plant in
5 service adjustments labeled [1.1] through [1.7].

6 Adjustments [1.1] and [1.5] conform the plant in service balance to Decision
7 No. 71482. Schedule B-2.1 provides a detailed reconciliation of the adjustments.

8 Adjustments [1.2] and [1.3] include costs for post-test-year plant.
9 Adjustment [1.2] is the estimated cost to complete a project to replace the well
10 pump and install a down-hole sand separator on Well 6A, which was completed in
11 May of 2012. Adjustment [1.3] is the estimated cost to complete drainage
12 improvements at the Bethany Arsenic Treatment Facility required pursuant to a
13 Special Use Permit ("SUP") issued by Maricopa County. These drainage
14 improvements are the final item of construction associated with the Bethany
15 Arsenic Treatment Facility. The improvements have been delayed due to drainage
16 conflicts caused by construction of the L. Thomas Heck Middle School adjacent to
17 the Bethany Arsenic Treatment Facility property. Valley has worked with the
18 School District and Maricopa County to resolve the conflicts and obtain approval
19 of a revised drainage plan and SUP. The drainage improvements are scheduled to
20 be completed in July of 2012.

21 Adjustment [1.4] captures the cost of unbooked retirements identified in my
22 fixed asset review.

23 Adjustment [1.6] reclassifies certain items of plant to the correct NARUC
24 plant account based on my fixed asset review.

25 Adjustment [1.6] reclassifies to capital certain costs that were expensed
26 during the test year.

1 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT RB-2.**

2 A. Rate base adjustment RB-2, detailed on page 3, 3.1 and 3.2 of Schedule B-2,
3 decreases the accumulated depreciation balance by a net of \$80,268 after
4 considering several separate accumulated depreciation adjustments labeled [2.1]
5 through [2.7].

6 Adjustment [2.1] records the unbooked plant retirements identified in my
7 fixed asset review.

8 Adjustment [2.2] adjusts accumulated depreciation to the amounts
9 calculated on Schedule B-2.1. As detailed on Schedule B-2.1, accumulated
10 depreciation was calculated from the balances approved in Decision No. 71482
11 considering recorded plant additions and retirements, plant reclassifications and
12 adjustments and unbooked retirements. Adjustment [2.3] eliminates differences
13 resulting from rounding the calculated accumulated depreciation balances.

14 Adjustments [2.4] and [2.5] adjusts accumulated depreciation to record
15 accumulated depreciation on items of plant that were recorded on Valley's books in
16 2010 and 2011, but physically placed into service in an earlier period. The
17 supporting detail for the prior period accumulated depreciation adjustment is
18 provided on page 3.1 of Schedule B-2.

19 Adjustment [2.6] adjusts accumulated depreciation to account for
20 depreciation on amounts reclassified from expenses. The supporting detail for this
21 adjustment is provided on page 3.2 of Schedule B-2.

22 **Q. PLEASE EXPLAIN RATE BASE ADJUSTMENT RB-3.**

23 A. Rate base adjustment RB-3, detailed on page 4, 4.1 and 4.2 of Schedule B-2,
24 increases the accumulated amortization of CIAC by \$43,448. Page 4.1 provides a
25 reconciliation calculation of accumulated amortization of CIAC from 6/30/2008 to
26 the end of the current test year. The calculation considers CIAC additions from

1 line extensions and Arsenic Impact Fees. The calculation also includes an
2 adjustment for prior period amortization of CIAC as detailed on page 4.2.
3

4 **VII. INCOME STATEMENT AND INCOME STATEMENT ADJUSTMENTS**

5 **A. Revenue Adjustments**

6 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-1?**

7 A. Income statement adjustment IS-1 is an adjustment to correct test year revenue to
8 account for an under billing of customers. The billing error was discovered during
9 the reconciliation of test year revenue to calculated bill count revenues in
10 preparation of this filing. Due to a software set-up error, for residential customers
11 with 5/8" x 3/4" meters and 3/4" meters, usage between 10,000 and 13,000 gallons
12 was being billed at the tier 2 rate of \$2.44 per 1,000 gallons rather than the tier 3
13 rate of \$3.15 per 1,000 gallons. This adjustment increases test year revenue by
14 \$6,548 to account for the forgone revenue.

15 **Q. DID VALLEY ATTEMPT TO COLLECT THE UNDER BILLED**
16 **REVENUE FROM THE CUSTOMERS?**

17 A. No, but we have to account for it in the ratemaking process or the Company's
18 revenue recovery will be understated.

19 **B. Expense Adjustments**

20 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-2?**

21 A. Income Statement IS-2 normalizes test year expenses for arsenic media
22 replacement, valve maintenance and tank coating. For each of the expense
23 categories, a schedule was prepared by Valley personnel to analyze the incurred
24 and projected expenses and establish a normalized level of expense for inclusion in
25 rates. After considering the normalized cost of each category of expense, this
26 adjustment reduces test year repairs and maintenance cost by \$2,204.

1 Arsenic media costs were normalized based on the actual cost and timing of
2 the replacement of absorptive media for Glendale Vessel A. The Glendale Vessel
3 A media was replaced during the test year at a total cost of \$69,576.41. A
4 normalized cost for media replacement is established by applying the actual cost
5 and time in service (per cubic foot of media replaced) at Glendale A to each of the
6 three other arsenic treatment vessels in service. The normalized cost of Arsenic
7 Media Replacement is \$46,158 annually as shown on **Exhibit RLJ-DT5**.

8 Valve maintenance was normalized based on a six-year average cost of the
9 test year actual costs and a five-year forward looking estimated cost. The test year
10 valve maintenance cost was \$18,382 and the six-year normalized average cost of
11 valve replacement is \$16,596 annually as shown on **Exhibit RLJ-DT6**.

12 Tank coating costs were normalized based on a fifteen year schedule of tank
13 coating covering all of Valley's steel tanks. The schedule is based on a target date
14 of 15 years from the last tank coating with minor schedule adjustments to smooth
15 cash flow. Valley's recovery of tank coating costs is critical as many of Valley's
16 tanks are at or approaching the age that they require their first recoating. Without
17 recovery of this significant expense in rates, Valley will have insufficient cash flow
18 to be unable to properly maintain its steel tanks. Valley began its tank recoating
19 program in 2009 with the coating of the 200,000 gallon storage tank at Bethany
20 Hills West. Both tanks at the Lux site and the hydropneumatic tank at Bethany
21 Hills West were due for coating in 2011. However, Valley was forced to postpone
22 coating the tanks due to insufficient available funds. The tanks have been
23 rescheduled for coating in 2013 in anticipation of the additional funds being
24 available as the result of this rate increase request. The normalized tank coating
25 expense is \$23,000 annually as shown on **Exhibit RLJ-DT7**.

1 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-3?**

2 A. Income statement adjustment IS-3 reduces various expenses to reclassify expensed
3 costs related to the arsenic treatment project to capital. The improperly classified
4 costs were identified based on a review of individual invoices charged to the
5 contract services and miscellaneous expense accounts. The adjustment reduces test
6 year contract services – legal by \$19,711, reduces test year contract services –
7 other by \$7,968 and reduces test year miscellaneous expenses by \$697. The total
8 test year reduction to expenses is \$28,376.

9 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-13?**

10 A. Income Statement Adjustment IS-13 increases the test year expense by \$9,851.
11 This is based on Valley's estimated rate case expense at \$120,000, which it
12 proposes to collect over a three-year amortization period. The actual rate case
13 expense in the last rate case was roughly \$95,000, providing the starting point for
14 this estimate. In the last case, Valley's rates were set on an operating margin basis
15 due to a negative rate base. In this case, Valley has a \$2.2 million positive rate
16 base, creating the need for a thorough review of plant additions and cost of capital
17 determination. Considering cost increases since the last case and that Valley is a
18 Class B utility and thus required to participate in 5 rounds of prefiled testimony,
19 discovery, hearings and briefing, \$120,000 is a reasonable level of rate case
20 expense for this case. Of course, Valley will update the estimate as the case
21 progresses to reflect any changes in expected total rate case expense.

22 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-14?**

23 A. Income statement adjustment IS-14 synchronizes interest expense with the test year
24 adjusted rate base. This adjustment is necessary to properly calculate the federal
25 and state income taxes (income statement adjustment IS-17) to be included in rates.
26 Income statement adjustment IS-14 increases interest expense by \$5,815.

1 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-15?**

2 A. Income statement adjustment IS-15 annualizes depreciation expense using adjusted
3 test-year-end plant balances and current depreciation rates. Income statement
4 adjustment IS-15 increases depreciation expense by \$40,674.

5 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-16?**

6 A. Income statement adjustment IS-16 restates property taxes consistent with the
7 method supported by Commission Staff and approved in numerous recent
8 Commission decisions. Specifically, following the Arizona Department of
9 Revenue - Centrally Valued Properties method, full cash value was determined by
10 using twice the average of three years of revenue, plus an addition for CWIP and a
11 deduction for the book value of transportation equipment. Consistent with
12 Commission practice, three times the adjusted revenues for 2011 was used to
13 determine the average revenue. The assessed value (20 percent of full cash value)
14 was then multiplied by the test year property tax rate to determined adjusted
15 property tax expense. Income statement adjustment IS-16 increases property tax
16 expense by \$6,952 for the test year, and after considering the effect of the proposed
17 rate increase, property tax expense is increased by \$1,926 from the test year
18 adjusted amount.

19 **Q. WHAT IS INCOME STATEMENT ADJUSTMENT IS-17?**

20 A. Income statement adjustment IS-17 calculates the test year income tax expense for
21 Valley, considering all other adjustments. Income statement adjustment IS-17
22 decreases the test year income tax expense by \$9,116, and after considering the
23 effect of the proposed rate increase, income tax expense is increased by \$32,382
24 from the test year adjusted amount.

VIII. COST OF CAPITAL

Q. WHAT IS THE RECOMMENDED CAPITAL STRUCTURE FOR VALLEY?

A. Valley proposes to use the adjusted test-year-end capital structure of 87.11% debt and 12.89% equity, as shown on Schedule D-1.

Q. WHAT IS THE RECOMMENDED COST OF DEBT?

A. Valley proposes to use the actual weighted average cost of Valley's debt of 5.788%, as shown on Schedule D-2.

Q. WHAT IS THE RECOMMENDED COST OF EQUITY?

A. Valley proposes to use an 11.00% cost of equity.

Q. HOW DID YOU ARRIVE AT AN 11.00% COST OF EQUITY?

A. Valley's highly leveraged capital structure and associated higher than average financial risk indicates that Valley will require a higher cost of equity than less leveraged companies. In addition, as shown on Schedule F-2, Valley's test year cash flow was negative and Valley's cash flow is projected to remain negative until the rates requested in this case are put into effect. Valley's deteriorating financial condition, negative cash flow and a highly leveraged capital structure justify a significant financial risk adjustment to any comparative cost of capital analysis. Accordingly, I selected a cost of equity of 11.00%, which includes a significant risk premium because of Valley's highly leveraged capital structure and negative cash flow.

I based the request on a review of rate orders issued by the Commission during calendar-year 2012. I identified the following cases for Class A, B and C companies for which the cost of equity could be determined. The identified utilities range from 0% debt capital to a high of 64.14% debt capital. Valley's test-year-end debt capital of 87.11% is well above the highest debt level of the

comparable companies. Based on my review of the Commission's 2012 decisions, as detailed below, an 11.00% return on equity is the minimum return on equity that is appropriate for Valley's capital structure and financial risk profile. It should also be noted that the rates proposed in this filing produce an operating margin of only 8.81% and a positive cash flow of only \$492 – using 2012 projected expenses⁴. Considering that rates will not go into effect until 2013, the cash flow produced by this request is the minimum level of cash flow that will allow Valley to deal with unexpected expenses and meet the ongoing capital needs of the system.

<u>Company</u>	<u>Docket</u>	<u>Debt Ratio</u>	<u>Equity Return</u>	<u>Risk Premium Included</u>
Arizona-American Water ⁵	09-0343	64.14%	10.70%	80 basis pt.
Bermuda Water	10-0521	0.00%	8.82%	n/a
Goodman Water	10-0521	18.27%	9.95%	n/a
East Slope Water	10-0168	0.00%	9.6%	n/a
Arizona Water	10-0517	49.03%	10.0%	n/a
Arizona-American Water	10-0488	58.73%	10.6%	n/a

Q. WHAT IS THE WEIGHTED AVERAGE COST OF CAPITAL?

A. Based upon a capital structure consisting of 87.11 percent debt and 12.89 percent equity, a debt cost of 5.788 percent, and a cost of equity of 11.00 percent, the weighted cost of capital is 6.451 percent as shown on Schedule D-1.

⁴ See Schedule F-2, ln. 40

⁵ Commission Staff recommendation shown in table. The decision ultimately adopted RUCO's lower cost of equity due to factors that are not applicable in this matter.

1 **IX. RATE DESIGN AND REVENUE PROOF**

2 **Q. PLEASE DESCRIBE THE H SCHEDULES.**

3 A. Schedule H-1 summarizes the revenue by source and customer classification as
4 billed under present rates and the amount that would be generated by the proposed
5 increase in metered water rates. Schedule H-2 analyzes revenue at present and
6 proposed rates by source, customer class and meter size in dollar amount and
7 percentage. The average number of customers derived from the bill count is also
8 shown by meter size and in total. Lastly, Schedule H-2 contains supplemental
9 schedules that provide a breakdown of revenue at the existing and proposed rates
10 by the components of the proposed rate design. Schedule H-3 compares present
11 and proposed rates and shows the changes in each rate. Schedule H-4 compares
12 present and proposed rates and the percentage increase at various consumption
13 levels for each class of service and meter size. Schedule H-5 is the bill count of the
14 bills issued during the test year.

15 **Q. HAS VALLEY PROPOSED A CHANGE IN RATE DESIGN?**

16 A. No. Rate design was a contested issue in Valley's last rate case with all of Staff's
17 recommendations ultimately adopted. Valley's current Staff recommended rate
18 design provides approximately 65.3 percent of revenue from commodity charges
19 and 34.7 percent from base charges. Valley believes that the existing rate design
20 promotes revenue instability by placing too much revenue in the commodity
21 charges. If ARSM revenue is included, base charges plus ARSM revenue are 43.4
22 percent and commodity charges are 56.6 percent of total revenues. Considering
23 Valley's financial condition, the current rate design, even with inclusion of the
24 ARSM, is still inadequate with respect to revenue stability.

25 However, Valley does not want to reopen issues that were addressed in the
26 last rate case or confuse its customers. Therefore, Valley proposes to simply

1 increase the base charges for all meter sizes and the commodity charges for all tiers
2 by the same percentage while keeping the ARSM surcharge in place and
3 unchanged. The result is a revenue stream that provides 57.5 percent of revenue
4 from commodity charges and 42.5 percent from the combination of base charges
5 and ARSM revenue. Notably, a very significant 54.1 percent of the revenue is
6 approximately evenly split between the 2nd and 3rd consumption tiers, indicating an
7 aggressive conservation orientation.

8 Considering Valley's highly leveraged capital structure and currently
9 negative cash flow, any destabilization of Valley's revenue stream by further
10 shifting revenue into consumption charges, or by shifting revenue from its
11 residential customer base to the commercial customer base, would be ill advised.

12 **Q. WHAT IS THE IMPACT OF VALLEY'S PROPOSED RATES ON THE**
13 **AVERAGE RESIDENTIAL CUSTOMER?**

14 A. The majority of Valley's residential customers are served by 3/4" meters, with
15 significant numbers also having 5/8" x 3/4" meters and 1" meters. The impact on
16 the various residential meter sizes at average usage is as follows.

17

	Number of	Average Usage			
<u>Meter Size</u>	<u>Customers</u>	<u>(gallons)</u>	<u>Increase \$</u>	<u>Increase %</u>	
5/8" x 3/4"	98	7,055	\$3.47	10.74%	
3/4"	831	9,425	\$5.02	10.67%	
1"	371	19,463	\$10.23	11.09%	

23

24 **Q. IS VALLEY PROPOSING ANY CHANGES TO MISCELLANEOUS**
25 **SERVICE CHARGES?**

26 A. Yes. As detailed in Schedule H-3, Valley is proposing minor adjustments to its

1 NSF check charge and meter re-read charge to be consistent with those recommend
2 by Staff in recent cases.

3 **Q DID VALLEY VERIFY AND PROVE THE TEST YEAR REVENUES?**

4 A. Yes. Schedule H-5 lists the number of bills by thousand-gallon block and the
5 cumulative consumption by rate block for each class of customer and meter size.
6 The actual bills were adjusted to account for prorated base charges to allow proper
7 verification and proof of the test year revenues.

8 As shown on Schedule H-1, line 16, total calculated revenues at present
9 rates for the test year were \$1,454,874 compared to total per-book adjusted
10 revenues of \$1,454,522 shown on Schedule H-1, line 20. The unreconciled
11 difference of \$352 amounts to 0.12% of per-book adjusted revenues.

12 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

13 A. Yes.

14

7018144.4/024964.0005

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Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT1

Ray L. Jones P.E.
Principal
ARICOR Water Solutions, LC
25213 N. 49th Drive
Phoenix, Arizona 85083

EMPLOYMENT HISTORY

2004 – Present

ARICOR Water Solutions

Principal

ARICOR Water Solutions offers a wide range of services to the private and public sectors. Projects include water resources strategy development, water rights evaluation and development of regulatory strategies. Services also include consultation on water and wastewater utility formation, management and operations, and valuation, including due diligence analysis and preparation of financial schedules and testimony in support of CC&N, Rate Case and other filings before the Arizona Corporation Commission. ARICOR Water Solutions provides water, wastewater and water resource master planning, water and wastewater facilities design, and owner representation; including value engineering, program management and construction oversight. Lastly, ARICOR Water Solutions supports water solutions with contract operations and expert witness testimony and litigation support.

2002 to 2004

Arizona-American Water Company

President

Responsible for leadership of the Arizona business activities of Arizona-American Water Company. Key responsibilities include developing and evaluation new business opportunities, developing strategic plans, establishing effective government and community relations, insuring compliance with all regulatory requirements, and providing management and guidance to key operations and support personnel.

1998 to 2002

Citizens Water Resources, Arizona Operations

Vice President and General Manager

Responsible for leadership of the Arizona regulated and unregulated business activities of Citizens Water Resources. Key responsibilities included developing and evaluation new business opportunities, developing strategic plans, establishing effective government and community relations, insuring compliance with all regulatory requirements, and providing management and guidance to key operations and support personnel.

1990 to 1998

Citizens Water Resources, Arizona Operations

Engineering and Development Services Manager

Responsible for management of a diverse group of business growth related activities. Responsibilities include: marketing of operation and maintenance services (unregulated business growth), management of new development activity (regulated business growth), management of engineering functions (infrastructure planning and construction), management of water resources planning and compliance, management of growth-related regulatory functions (CC&N's and Franchises), and management of capital budgeting functions and capital accounting functions.

1985 to 1990

Citizens Water Resources, Arizona Operations

Civil Engineer

Responsible for the planning, coordination and supervision of capital expansion and major maintenance and rehabilitation projects as assigned. Responsible for development of capital program for Maricopa County Operations.

EDUCATION

Arizona State University – Master of Business Administration (1991)
University of Kansas – Bachelor of Science in Civil Engineering (1985)

PROFESSIONAL CERTIFICATION

Registered Professional Engineer – Civil Engineering – Arizona
Professional Engineer – Civil Engineering – California
Certified Operator – Wastewater Treatment, Wastewater Collection, Water Treatment, Water Distribution – Arizona

PROFESSIONAL AFFILIATIONS

- Director - Water Utilities Association of Arizona (1998 – 2004)
- Member - American Society of Professional Engineers
- Member - American Water Works Association
- Member - Arizona Water Pollution Control Association
- Member - Water Environment Federation

CIVIC AND COMMUNITY INVOLVEMENT

- Advisory Member - Water Resources Development Commission (2010 – Present)
- Board of Directors – Greater Maricopa FTZ, Inc. (2009 – Present)
- Chairman WESTMARC (2008)
- Director and Member of the Executive Committee- WESTMARC (1998 – Present)
- Co-Chairman, WESTMARC Water Committee (2006 – 2007)
- Chairman-Elect WESTMARC (2007)
- Member – Corporate Contributions Committee, West Valley Fine Arts Council Diamond Ball (Chairman 2005)
- Member – Technical Advisory Committee – Governor’s Water Management Commission (2001)
- Board Member, Manager & Past Chairman – North Valley Little League Softball

REGULATORY EXPERIENCE

Testimony has been provided before the Arizona Corporation Commission in the dockets listed below. Unless otherwise indicated testimony was provided on behalf of the utility.

Filing Year	Utility(ies)	Filing Type(s)	Docket(s)
1992	Sun City West Utilities Company	CC&N Extension (Expansion of Sun City West)	U-2334-92-244
1993	Sun City Water Company Sun City Sewer Company	CC&N Extension (Addition of Coyote Lakes)	U-1656-93-060 U-2276-93-060
1993	Tubac Valley Water Co., Inc.	CC&N Extension (Various Subdivisions on western border)	U-1595-93-241
1993	Sun City West Utilities Company	CC&N Extension (Expansion of Sun City West)	U-2334-93-293
1995	Citizens Utilities Company Sun City Water Company Sun City Sewer Company Sun City West Utilities Company Tubac Valley Water Company	Ratemaking	E-1032-95-417 U-1656-95-417 U-2276-95-417 U-2334-95-417 U-1595-95-417
1996	City Water Company Sun City Sewer Company	CC&N Extension (Acquisition of Youngtown)	U-1656-96-282 U-2276-96-282
1996	Citizens Utilities Company	CC&N Extension and Deletion (Realignment of Surprise Bdry.)	E-1032-96-518
1998	Sun City Water Company Sun City West Utilities Company	CAP Water Plan and Accounting Order (Sun Cities CAP plan)	W-01656A-98-0577 SW-02334A-98-0577

Filing Year	Utility(ies)	Filing Type(s)	Docket(s)
2000	Citizens Water Resources Company of Arizona Citizens Water Services Company of Arizona	CC&N Extension and Accounting Order (Anthen Jacka Property and Phoenix Treatment Agreement)	SW-3455-00-1022 SW-3454-00-1022
2000	Citizens Communications Company Citizens Water Services Company of Arizona	CC&N Extension and Approval of Hook-Up Fee (Verrado)	W-0132B-00-1043 SW-0354A-00-1043
2002	Arizona-American Water Company	Ratemaking	WS-01303A-02-0867 WS-01303A-02-0868 WS-01303A-02-0869 WS-01303A-02-0870 WS-01303A-02-0908
2004	Arizona-American Water Company Rancho Cabrillo Water Company Rancho Cabrillo Sewer Company	CC&N Transfer	WS-01303A-04-0089 W-01303A-04-0089 SW-03898A-04-0089
2004	Johnson Utilities Company, LLC (Representing Pulte Home Corporation)	CC&N Extension	WS-02987A-04-0288
2005	Perkins Mountain Utility Company Perkins Mountain Water Company	New CC&N & Initial Rates	WS-20379A-05-0489 W-20380A-05-0490
2005	West End Water Company	CC&N Extension	W-01157A-05-706
2005	Arizona-American Water Company	Approvals Associated with Construction of Surface Water Treatment Facility	W-01303A-05-0718
2006	Arizona-American Water Company	Ratemaking	WS-01303A-06-0403
2008	Sunrise Water Company	Ratemaking	W-02069A-08-0406
2009	Baca Float Water Company	Ratemaking	WS-01678A-09-0376
2009	Aubrey Water Company	Lost Water Evaluation (Rate Case Compliance)	W-03476A-06-0425
2009	White Horse Ranch Owner's Assn.	Ratemaking	W-04161A-09-0471
2010	Litchfield Park Service Company	Ratemaking	W-01427A-09-0104
2010	Chino Meadows II Water Company	Ratemaking	W-02370A-10-0519
2011	Pima Utility Company	Ratemaking	W-021999A-11-0329 WS-02199A-11-0330

Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT2

VALLEY UTILITIES WATER COMPANY, INC.

Water System Description

May 30, 2011

General

Valley Utilities Water Company ("Valley") was issued a Certificate of Convenience and Necessity in 1984 to provide water services to portions of unincorporated western Maricopa County, Arizona located east of Luke Air Force Base. Valley currently serves approximately 1,300 homes, three multi-family housing complexes and supporting neighborhood commercial development.

As of year-end 2011, Valley served approximately 1,415 water connections. Valley's customer base is approximately 93% residential connections, with 95 commercial connections (which include 838 multi-family units) and 5 fire service customers. Residential customers are served with meters ranging in size from 5/8" x 3/4" to 1-1/2", with the majority being served by 3/4" meters. The commercial customers are served by meters ranging from 5/8"x 3/4" to 2" in size.

Water System

The Valley water system consists of four (4) water plant sites consisting of six (6) active wells, two (2) arsenic treatment facilities, six (6) water storage tanks and twelve (12) booster pumps. The water plants are interconnected by a looped distribution system to provide system reliability. The system is designed to provide a 1,000 gallon per minute fire flow. Valley has an interconnection with Liberty Water which is used to supplement Valley's water supply and increase reliability.

The water system facilities are summarized below:

Glendale Well Yard (Booster Station):

Well 1 – 75 gpm – ADWR# 55-639720

Well 2 – Out of Service – ADWR # 55-639721

Well 7 – 450 gpm – ADWR# 55-208819

Arsenic Treatment Facility:

2 – 8' diameter Treatment Vessels

1 – 17,000 gallon Backwash Tank

2 – 100,000 gallon Storage Tanks

1 – 5,000 gallon Hydropneumatic Tank

3 – Booster Pumps

Maryland Avenue Booster Station:

Water Supply from Bethany Hills West Booster Station

1 – 1,000,000 gallon storage tank

1 – 560,000 gallon storage tank

1- 10,000 gallon Hydropneumatic Tank

4 – Booster Pumps

Bethany Hills West (Booster Station):

Well 4 – 90 gpm – ADWR# 55-639722

Well 5 – 450 gpm – ADWR# 55-503273

Well 6A – 150 gpm – ADWR# 55-216455

Arsenic Treatment Facility:

2 – 12' diameter Treatment Vessels

1 – 70,000 gallon Backwash Tank

1 – 200,000 gallon storage tank

1- 7,500 gallon Hydropneumatic Tank

2 – Booster Pumps

Lux Booster Station:

Well 3 – 90 gpm – ADWR# 55-639723

1 – 100,000 gallon storage tank

1- 5,000 gallon Hydropneumatic Tank

3 – Booster Pumps

Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT3

VALLEY UTILITIES WATER COMPANY, INC.
Summary of Major Water System Improvements
May 30, 2012

Major Water System Improvements – Placed in Service after 6/30/2008

- Glendale Arsenic Treatment Facility - 2009
 - Absorptive media arsenic treatment facility consisting of the following major components:
 - 1,200 sq-ft arsenic treatment building
 - 264 sq-ft MCC building with A/C
 - 2 – 8' diameter treatment vessels
 - 17,000 gallon polyethylene backwash tank
 - Piping, valves, meters and appurtenances
 - Electrical and controls
 - Site Work
- Bethany Arsenic Treatment Facility – 2011
 - Absorptive media arsenic treatment facility consisting of the following major components:
 - 2,400 sq-ft arsenic treatment building
 - 2 – 12' diameter treatment vessels
 - 70,000 gallon steel backwash tank
 - Piping, valves, meters and appurtenances
 - Electrical and controls
 - Site Work
 - Drainage Improvements
 - Access Easement
- Maryland Avenue Booster Station
 - Complete electrical integration and controls for booster station - 2008
 - Install Chain Link Fence - 2009
 - Install Gate - 2010
 - Install A/C Unit - 2011
 - SCADA system installed
- Drill and Equip Well 6A – 2008 (Post-test year plant in previous rate case)
- Install Permanent Electrical Gear and Controls Well 7 – 2009
- Install Sand Separator Well 7 - 2010

Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT4

<u>Schedule</u> <u>No.</u>	<u>Title</u>
Schedule A-1	Computation of Increase in Gross Revenue Requirement
Schedule A-2	Summary of Results of Operations
Schedule A-3	Summary of Capital Structure
Schedule A-4	Construction Expenditures and Gross Utility Plant in Service
Schedule A-5	Summary Changes in Financial Position
Schedule B-1	Summary of Original Cost Rate Base Elements
Schedule B-2	Original Cost Rate Base Pro forma Adjustments
Schedule B-2.1	Reconciliation of Plant Additions, Retirements and Accumulated Depreciation
Schedule B-5	Computation of Working Capital
Schedule C-1	Adjusted Test Year Income Statement
Schedule C-2	Income Statement Pro forma Adjustments
Schedule C-3	Computation of Gross Revenue Conversion Factor
Schedule D-1	Summary of Cost of Capital
Schedule D-2	Cost of Long-Term and Short-Term Debt
Schedule D-3	Cost of Preferred Stock
Schedule D-4	Cost of Common Equity
Schedule E-1	Comparative Balance Sheet
Schedule E-2	Comparative Income Statements
Schedule E-3	Comparative Statement of Changes in Financial Position
Schedule E-4	Statement of Changes in Stockholder's Equity
Schedule E-5	Detail of Utility Plant
Schedule E-7	Operating Statistics
Schedule E-8	Taxes Charged to Operations
Schedule E-9	Notes To Financial Statements
Schedule F-1	Projected Income Statements - Present and Proposed Rates
Schedule F-2	Projected Changes in Financial Position - Present and Proposed Rates
Schedule F-3	Projected Construction Requirements
Schedule F-4	Assumptions Used in Developing Projection
Schedule H-1	Summary of Revenues by Customer Classification - Present and Proposed Rates
Schedule H-2	Analysis of Revenues by Detailed Class
Schedule H-3	Changes In Representative Rate Schedules
Schedule H-4	Typical Bill Analysis
Schedule H-5	Bill Count

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Computation of Increase in Gross Revenue Requirements

Exhibit: RLJ-DT4
Schedule A-1
Page 1
Witness: Jones

Line

No.

1	Original Cost Adjusted Rate Base	\$ 2,201,184	
2			
3	Adjusted Operating Income	19,628	
4			
5	Current Rate of Return	0.89%	
6			
7	Required Operating Income	\$ 142,003	
8			
9	Required Rate of Return	6.451%	
10			
11	Operating Income Deficiency	\$ 122,375	
12			
13	Gross Revenue Conversion Factor	1.2829	
14			
15	Increase in Gross Revenue	\$ 157,001	10.79%
16			
17			

18		Projected	
19		Revenue	%
20		Increase Due	Dollar
21	<u>Customer Classification</u>	<u>To Rates</u>	<u>Increase</u>
22			
23	Fire Service	\$ 88	12.90%
24	Residential	106,330	10.97%
25	Commercial	7,394	10.30%
26	Commercial (Multifamily)	25,987	12.01%
27	Commercial (Irrigation)	17,144	12.43%
28	Other Water Revenue	-	0.00%
29			
30	Total Revenue Increase	\$ 156,943	10.79%

Supporting Schedules:

33 B-1 C-1

34 C-3 H-1

35

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Summary Results of Operations

Exhibit: RLJ-DT4
Schedule A-2
Page 1
Witness: Jones

Line No.	Description	Prior Years Ended		Test Year		Projected Year	
		12/31/2009	12/31/2010	Actual 12/31/2011	Adjusted 12/31/2011	Present Rates 12/31/2012	Proposed Rates 12/31/2012
1	Gross Revenues	\$ 1,213,359	\$ 1,410,510	\$ 1,447,974	\$ 1,454,522	\$ 1,454,522	\$ 1,611,523
2	Revenue Deductions and						
3	Operating Expenses	1,090,257	1,244,372	1,417,114	1,434,894	1,456,260	1,490,885
4	Operating Income	123,103	166,138	30,861	19,628	(1,738)	120,638
5							
6	Other Income and						
7	Deductions	177	6,462	(15,596)	(15,596)	(15,596)	(15,596)
8	Interest Expense	(71,173)	(110,537)	(104,994)	(110,798)	(99,895)	(99,895)
9	Net Income	\$ 52,106	\$ 62,064	\$ (89,729)	\$ (106,766)	\$ (117,228)	\$ 5,147
10							
11	Earned Per Average						
12	Common Share	521.06	620.64	(897.29)	(1,067.66)	(1,172.28)	51.47
13							
14	Dividends Per						
15	Common Share	-	-	-	-	-	-
16							
17	Payout Ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18							
19	Return on Average						
20	Invested Capital	0.8%	0.9%	-1.2%	-1.4%	-1.5%	0.1%
21							
22	Return on Year End						
23	Capital	0.8%	0.9%	-1.2%	-1.4%	-1.5%	0.1%
24							
25	Return on Average						
26	Common Equity	84.5%	51.9%	-49.5%	-46.2%	-50.7%	3.0%
27							
28	Return on Year End						
29	Common Equity	59.1%	41.2%	-42.3%	-40.8%	-44.8%	3.6%
30							
31	Times Bond Interest Earned						
32	Before Income Taxes	2.22	1.77	0.15	(0.04)	(0.04)	1.50
33							
34	Times Total Interest and						
35	Preferred Dividends Earned						
36	After Income Taxes	1.73	1.50	0.29	0.18	0.20	1.42
37							
38							
39	<u>Supporting Schedules:</u>						
40	E-2 F-1						
41	C-1						
42							

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Summary of Capital Structure

Exhibit: RLJ-DT4
Schedule A-3
Page 1
Witness: Jones

Line No.	Description:	Prior Years Ended		Test Year	Projected Year
		<u>12/31/2009</u>	<u>12/31/2010</u>	<u>12/31/2011</u>	<u>12/31/2012</u>
3	Short-Term Debt	25,809	-	-	-
4	Long-Term Debt	1,935,031	1,853,919	1,770,091	1,679,070
5	Total Debt	\$ 1,960,840	\$ 1,853,919	\$ 1,770,091	\$ 1,679,070
7	Preferred Stock	-	-	-	-
8	Common Equity	88,213	150,728	261,871	144,643
9	Total Capital & Debt	\$ 2,049,053	\$ 2,004,648	\$ 2,031,962	\$ 1,823,712
12	Capitalization Ratios:				
14	Short-Term Debt	1.26%	0.00%	0.00%	0.00%
15	Long-Term Debt	95.69%	92.48%	87.11%	92.07%
16	Total Debt	95.69%	92.48%	87.11%	92.07%
18	Preferred Stock	0.00%	0.00%	0.00%	0.00%
19	Common Equity	4.31%	7.52%	12.89%	7.93%
20	Total Capital	100.00%	100.00%	100.00%	100.00%
28	Weighted Cost of				
29	Senior Capital	5.529%	5.344%	5.034%	5.320%
35	Supporting Schedules:				
36	E-1 D-1				

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Construction Expenditures and Gross Utility Plant In Service

Exhibit: RLJ-DT4
Schedule A-4
Page 1
Witness: Jones

Line			Construction	Net Plant Placed	Gross Utility
No.	Year		Expenditures	In Service	Plant In Service
1					
2	Prior Year Ended	12/31/2009	\$ 1,319,849	\$ 1,541,585	\$ 8,206,107
3					
4	Prior Year Ended	12/31/2010	634,499	603,472	8,809,579
5					
6	Test Year Ended	12/31/2011	643,542	1,501,727	10,311,306
7					
8	Projected Year Ending	12/31/2012	98,000	98,000	10,409,306
9					
10	Projected Year Ending	12/31/2013	174,000	174,000	10,583,306
11					
12	Projected Year Ending	12/31/2014	121,000	121,000	10,704,306
13					
14	<u>Supporting Schedules:</u>				
15	F-3				
16	E-5				
17					

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Summary Changes In Financial Position

Exhibit: RLJ-DT4
Schedule A-5
Page 1
Witness: Jones

Line No.		Prior Year Ended <u>12/31/2009</u>	Prior Year Ended <u>12/31/2010</u>	Test Year Ended <u>12/31/2011</u>	<u>Projected Year</u>	
					Present Rates <u>12/31/2012</u>	Proposed Rates <u>12/31/2013</u>
1	<u>Source of Funds</u>					
2	Operations	\$ 230,496	\$ 425,142	\$ 248,001	\$ 155,754	\$ 278,129
3						
4	Outside Financing	914,480	316,558	199,066	(179,638)	(179,638)
5						
6	Total Funds Provided	\$ 1,144,977	\$ 741,700	\$ 447,066	\$ (23,885)	\$ 98,490
7						
8	<u>Application of Funds</u>					
9	Constriction Expenditures	\$ (1,319,849)	\$ (634,499)	\$ (643,542)	\$ (98,000)	\$ (98,000)
10						
11	Dividends/Distributions	-	-	-	-	-
12						
13	Other	-	-	-	-	-
14						
15	Total Funds Applied	\$ (1,319,849)	\$ (634,499)	\$ (643,542)	\$ (98,000)	\$ (98,000)
16						
17	Net Increase/(Decrease) in Cash	(174,872)	107,201	(196,475)	(121,885)	490
18						
19						
20						
21	<u>Supporting Schedules:</u>					
22	E-3					
23	F-2					
24						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Summary of Original Cost Rate Base Elements

Exhibit: RLJ-DT4
Schedule B-1
Page 1
Witness: Jones

Line		Original Cost
<u>No.</u>		<u>Rate Base*</u>
1		
2	Gross Utility Plant in Service	\$ 10,331,861
3		
4	Less: Accumulated Depreciation	<u>(3,034,427)</u>
5		
6	Net Utility Plant in Service	7,297,434
7		
8	Less:	
9	Advances in Aid of Construction	3,933,272
10		
11	Contributions in Aid of Construction	1,561,727
12	Accumulated Amortization of CIAC	<u>(438,464)</u>
13	Contributions in Aid of Construction - Net	1,123,263
14		
15	Customer Security Deposits	78,425
16	Deferred Income Taxes	195,362
17		
18	Plus:	
19	Working Capital	234,073
20	Net Regulatory Asset / (Liability)	-
21		
22	Rate Base	<u>\$ 2,201,184</u>
23		
24	* including pro forma adjustments	
25		
26		
27	<u>Supporting Schedules:</u>	
28	B-2 B-5	
29	B-3 E-1	
30		

Recap Schedules:
A-1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Original Cost Rate Base Pro forma Adjustments

Exhibit: RLJ-DT4
Schedule B-2
Page 1
Witness: Jones

Line No.		Actual End of Test Year	ADJ RB-1	ADJ RB-2	ADJ RB-3	Total Pro Forma Adjustments	Adjusted End of Test Year
1							
2	Gross Utility Plant in Service	\$ 10,311,306	\$ 20,555			\$ 20,555	\$ 10,331,861
3							
4	Less: Accumulated Depreciation	(3,114,695)		80,268		80,268	(3,034,427)
5							
6	Net Utility Plant in Service	7,196,611	20,555	80,268	-	100,823	7,297,434
7							
8	Less:						
9	Advances in Aid of Construction	3,933,272				-	3,933,272
10							
11	Contributions in Aid of Construction	1,561,727			-	-	1,561,727
12	Accumulated Amortization of CIAC	(395,016)			(43,448)	(43,448)	(438,464)
13	Contributions in Aid of Construction - Net	1,166,711	-	-	(43,448)	(43,448)	1,123,263
14							
15	Customer Security Deposits	78,425				-	78,425
16	Deferred Income Taxes	195,362				-	195,362
17							
18	Plus:						
19	Working Capital	234,073				-	234,073
20	Net Regulatory Asset / (Liability)					-	-
21							
22	Rate Base	\$ 2,056,914	\$ 20,555	\$ 80,268	\$ 43,448	\$ 144,270	\$ 2,201,184

Supporting Schedules:

E-1

Recap Schedules:

B-1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Rate Base Adjustment RB-1

Exhibit: RJ-DT4
Schedule B-2
Page 2
Jones
Witness:

Plant In Service Balance

Line No.	Acct No.	Description	Adjustments							Adjusted End of Test Year
			[1.1] Conform to Decision No. 71482	[1.2] Post-Test Year Plant Well 6A	[1.3] Arsenic Treatment	[1.4] Unbooked Plant Retirement	[1.5] Plant Addit'n Included in 71482	[1.6] Plant Reclass	[1.7] Capitalized Expenses	
1	301	Organization Cost	-	-	-	-	-	-	-	-
2	302	Franchise Cost	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	488,196	-	-	-	-	55,000	-	543,196
4	304	Structures & Improvements	59,261	-	60,000	-	-	122,950	9,948	252,160
5	305	Collecting & Impounding Reservoirs	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	-	-	-	-	-	-	-	-
7	307	Wells & Springs	1,649,625	1,175	-	(76,583)	-	(149,095)	-	1,425,122
8	308	Infiltration Galleries	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	620,112	-	34,500	(4,558)	-	151,496	-	801,549
12	312	Water Treatment Equipment	2,252,341	-	-	-	-	(177,950)	-	2,074,391
13	313	Water Treatment Plants	-	-	-	-	-	-	18,428	18,428
14	314	Solution Chemical Feeders	-	-	-	-	(532,585)	-	-	-
15	315	Distribution Reservoirs & Standpipes	874,959	532,585	-	-	-	-	-	874,959
16	316	Storage Tanks	-	-	-	-	-	-	-	-
17	317	Pressure Tanks	-	-	-	-	-	-	-	-
18	318	Transmission & Distribution Mains	3,221,036	-	-	-	-	-	-	3,221,036
19	319	Services	153,593	-	-	(10,000)	-	-	-	143,593
20	320	Meters	460,005	-	-	(4,800)	-	(2,401)	-	452,803
21	321	Hydrants	289,011	-	-	-	-	-	-	289,011
22	322	Backflow Prevention Devices	-	-	-	-	-	-	-	-
23	323	Other Plant & Misc Equipment	1,237	-	-	-	-	-	-	1,237
24	324	Office Furniture & Equipment	75,876	-	-	(7,555)	-	-	-	68,321
25	325	Computers & Software	-	-	-	-	-	-	-	-
26	326	Transportation Equipment	88,026	-	-	-	-	-	-	88,026
27	327	Stores Equipment	-	-	-	-	-	-	-	-
28	328	Tools, Shop & Garage Equipment	46,009	-	-	-	-	-	-	46,009
29	329	Laboratory Equipment	-	-	-	-	-	-	-	-
30	330	Power Operated Equipment	5,930	-	-	-	-	-	-	5,930
31	331	Communication Equipment	-	-	-	-	-	-	-	-
32	332	Miscellaneous Equipment	20,000	-	-	-	-	-	-	20,000
33	333	Other Tangible Plant	6,090	-	-	-	-	-	-	6,090
34	334	TOTALS	\$ 10,311,306	\$ 533,760	\$ 34,500	\$ 60,000	\$ (103,496)	\$ (532,585)	\$ 0	\$ 28,376
35	335	Plant In Service per Books								\$ 10,311,306
36	336	Increase / (Decrease) in Plant in Service								\$ 20,555

Workpapers:
VU 2007-2011 Financial Data.xlsx - Plant Additions, UB Retire, PTY Plant
Capitalized Expense.xlsx

Supporting Schedules:
B-2.1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Rate Base Adjustment RB-2

Exhibit: RLJ-DT4
Schedule B-2
Page 3
Witness: Jones

Accumulated Depreciation

Line No.	Acct No.	Description	Actual End of Test Year	Adjustments							Adjusted End of Test Year
				[2.1] Unbooked Plant Retirements	[2.2] Difference From Calc'd on B-2.1	[2.3] Eliminate Rounding Differences	[2.4] Prior Period Adjustments	[2.5] 2011 Plant	[2.6] Capitalized Expenses	[2.7] NOT USED	
3			\$ -	\$ -	-	-	-	-	-	-	\$ -
4	301	Organization Cost	-	-	-	-	-	-	-	-	-
5	302	Franchise Cost	-	-	-	-	-	-	-	-	-
6	303	Land and Land Rights	-	-	-	-	-	-	-	-	-
7	304	Structures & Improvements	13,646	-	4,177	-	-	-	166	-	17,989
8	305	Collecting & Impounding Reservoirs	-	-	-	-	-	-	-	-	-
9	306	Lake, River, Canal Intakes	-	-	-	-	-	-	-	-	-
10	307	Wells & Springs	326,235	(76,583)	(86,978)	-	-	65,806	-	-	228,480
11	308	Infiltration Galleries	-	-	-	-	-	-	-	-	-
12	309	Raw Water Supply Mains	-	-	-	-	-	-	-	-	-
13	310	Power Generation Equipment	-	-	-	-	-	-	-	-	-
14	311	Pumping Equipment	595,357	(4,558)	47,064	-	-	-	-	-	637,862
15	320	Water Treatment Equipment	115,201	-	(5,092)	-	-	-	307	-	110,415
16	320	Water Treatment Plants	-	-	-	-	-	-	-	-	-
17	320	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-
18	330	Distribution Reservoirs & Standpipes	281,188	-	4	(4)	-	-	-	-	281,188
19	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-
20	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-
21	331	Transmission & Distribution Mains	1,173,743	-	(19,743)	-	25,785	(12,242)	-	-	1,167,543
22	333	Services	56,348	(10,000)	(666)	-	-	-	-	-	45,682
23	334	Meters	345,460	(4,800)	(970)	-	-	-	-	-	339,690
24	335	Hydants	28,154	-	1,238	-	6,198	(1,238)	-	-	34,352
25	336	Backflow Prevention Devices	-	-	-	-	-	-	-	-	-
26	339	Other Plant & Misc Equipment	528	-	0	(0)	-	-	-	-	528
27	340	Office Furniture & Equipment	49,899	(7,555)	(583)	-	-	-	-	-	41,761
28	340.1	Computers & Software	-	-	-	-	-	-	-	-	-
29	341	Transportation Equipment	88,026	-	-	-	-	-	-	-	88,026
30	342	Stores Equipment	-	-	-	-	-	-	-	-	-
31	343	Tools, Shop & Garage Equipment	-	-	0	(0)	-	-	-	-	-
32	344	Laboratory Equipment	23,935	-	-	-	-	-	-	-	23,935
33	345	Power Operated Equipment	-	-	-	-	-	-	-	-	-
34	346	Communication Equipment	5,930	-	-	-	-	-	-	-	5,930
35	347	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-
36	348	Other Tangible Plant	7,000	-	-	-	-	-	-	-	7,000
37		TOTALS	4,046	-	(1)	1	(4)	52,327	472	\$ -	4,046
38			\$ 3,114,695	\$ (103,496)	\$ (61,550)	\$ (4)	\$ 31,983	\$ 52,327	\$ 472	\$ -	\$ 3,034,427
39		Accumulated Depreciation per Books									
40											
41		Increase / (Decrease) in Accumulated Depreciation									
42											
43		Supporting Schedules:									
44		B-2.1									
45		B-2, Page 3.1									
46		B-2, Page 3.2									
47											

Workpapers:
VU 2007-2011 Financial Data.xlsx - Plant Additions, UB Retire
Capitalized Expense.xlsx

Accumulated Depreciation per Books

Increase / (Decrease) in Accumulated Depreciation

Supporting Schedules:

B-2.1

B-2, Page 3.1

B-2, Page 3.2

Detail of Adjustments for Prior Period Accumulated Depreciation

Line No.	Description	Plant Booked in 2010						Total 2010
		Adj D	Adj E	Adj F	Adj G	Adj H	Adj I	
1	NARUC Plant Account ==>	331	335	331	335	331	335	
2	Plant Addition Amount ==>	151,390	56,100	101,898	18,600	137,140	28,600	523,217
3	Year							
4	2006							295
5	2007	1,514	561	1,019	186	1,371	286	5,527
6	2008	3,028	1,122	2,038	372	2,743	572	10,464
7	2009	3,028	1,122	2,038	372	2,743	572	10,464
8	2010	1,514	561	1,019	186	1,371	286	5,232
9	2011							
10	Total A/D adjustment	9,083	3,366	6,114	1,116	8,228	1,716	2,359
11	A/D Adjustment Acct. 331	9,083		6,114		8,228		2,359
12	A/D Adjustment Acct. 335		3,366		1,116		1,716	
13	Total AA CIAC Adjustment for Year							31,983

Line No.	Description	Plant Booked in 2011						Total 2011
		Adj A	Adj B	Adj C	Adj D	Adj E	Adj F	
17	NARUC Plant Account ==>	307	331	335	331	331	331	
18	Plant Addition Amount ==>	175,600	(61,797)	(5,500)	1,039	17,857		127,199
19	Amort. Rate							
20	Year							
21	2001	4,390						4,390
22	2002	8,780	(1,545)	(138)	26			7,124
23	2003	8,780	(3,090)	(275)	52			5,467
24	2004	5,847	(1,236)	(110)	21			4,522
25	2005	5,847	(1,236)	(110)	21			4,522
26	2006	5,847	(1,236)	(110)	21			4,522
27	2007	5,847	(1,236)	(110)	21	179		4,701
28	2008	5,847	(1,236)	(110)	21	357		4,879
29	2009	5,847	(1,236)	(110)	21	357		4,879
30	2010	5,847	(1,236)	(110)	21	357		4,879
31	2011	2,924	(618)	(55)	10	179		2,440
32	Total A/D adjustment	65,806	(13,904)	(1,238)	234	1,429		65,806
33	A/D Adjustment Acct. 307	65,806						(12,242)
34	A/D Adjustment Acct. 331		(13,904)		234	1,429		(1,238)
35	A/D Adjustment Acct. 335			(1,238)				52,327
36	Total AA CIAC Adjustment for Year							

Notes

Half-year convention used

Adj A = Record Well 6 placed in service in 2001 that was never booked with Dreaming Summit LX.

Adj B = Correct Dreaming Summit plant erroneously booked in 2002 using original LX contract rather than amended contract (-61,796.51 to mains and -5,500.00 to hydrants).

Adj C = Redlass check # 2135 dated 7/31/02 misposted to AIAC rather than mains.

Adj D = Correct Bethany Estates South LX booked in 2010 but was actually placed in service in 2007.

Adj E = Adjust Bethany Estates South on-sites to actual invoices provided by developer in 2011.

Adj F = Correct Dysart Village LX on-sites booked in 2010 but was actually placed in service in 2007.

Adj G = Correct Luke Ranch LX on-sites booked in 2010 but was actually placed in service in 2007.

Adj H = Correct Gary Fetters LX on-sites booked in 2010 but was actually placed in service in 2006.

Depreciation Related to Capitalized Expenses

Line No.	Plant Acct	Plant Adjustment	Depreciation Rate	Years	Depreciation
1	304 Structures & Improvements	\$ 9,948	3.33%	0.5	\$ 166
2	320 Water Treatment Equipment	18,428	3.33%	0.5	307
3	Totals	\$ 28,376			\$ 472
4					
5	Increase/(Decrease) in Accumulated Depreciation				
6					\$ 472
7	Workpapers:				
8	Capitalized Expense.xlsx				
9					

Contributions-In-Aid of Construction (CIAC) and Accumulated Amortization of CIAC

Line No.	CIAC	Accumulated Amortization
1		
2	\$ 1,561,727	\$ 438,464
3		
4	\$ 1,561,727	\$ 395,016
5		
6		
7	\$ -	\$ 43,448
8		
9		
10		
11		
12		
13		
14		
15		
16		

Supporting Schedules:

B-2, Page 5.2

Calculation of CIAC Balances

Line No.	Decision No.	7/1/2008 - 12/31/2008			2009			2010			2011		
		Balance 6/30/2008	Additions	Balance	Additions	Balance	Additions	Balance	Additions	Balance	Additions	Balance	
1													
2	CIAC	991,174		991,174		991,174	103,300	1,094,474	130,873	1,225,347			
3	Arsenic Impact Fee	331,760		331,760	1,320	333,080		333,080	3,300	336,380			
4	Total CIAC	1,322,934		1,322,934		1,324,254		1,427,554		1,561,727			
5													
6	Amortization Rate			1.8971%		3.5131%		3.6694%		3.4274%			
7													
8	Amortization CIAC (half-yr convention)			18,803		34,821		38,265		39,754			
9	Amortization AIF (half-yr convention) ¹									5,764			
10	Adjustment for Prior Period Amortization							11,263		145			
11													
12	Accumulated Amortization of CIAC	289,647		308,450		343,271		392,800		438,464			
13													
14	Net CIAC	1,033,287		1,014,484		980,983		1,034,754		1,123,263			
15													
16													
17													
18													
19													
20	Supporting Schedules:												
21	B-2.1												
22	B-2, Page 4.2												
23													

¹ The arsenic impact fees received to date have been used to fund Bethany Home Road Arsenic Treatment Facility, which was placed into service in 2011. Therefore, amortization of AIFs began in 2011 using half-year convention.

Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

Line No.		NARUC Account No.	Description	Allowed Deprec. Rate	Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
7/1/2008 - 12/31/2008															
1	301		Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
2	302		Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
3	303		Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	448,196	-	448,196
4	304		Structures & Improvements	3.33%	-	-	-	-	-	-	-	265	17,167	9,372	7,795
5	305		Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-
6	306		Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-
7	307		Wells & Springs	3.33%	23,392	(23,392)	-	175,600	74,175	249,775	-	16,285	1,073,542	40,199	1,033,343
8	308		Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-
9	309		Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-
10	310		Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
11	311		Pumping Equipment	12.50%	19,629	23,674	43,303	-	-	-	-	30,631	491,963	388,133	103,829
12	320		Water Treatment Equipment	3.33%	1,993	-	1,993	-	-	-	-	402	24,327	3,437	20,890
13	320		Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-	-
14	320		Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-	-	-
15	330		Distribution Reservoirs & Standpipes	2.22%	546,985	(532,585)	14,399	-	-	-	-	6,394	842,515	223,799	618,716
16	330.1		Storage Tanks	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2		Pressure Tanks	-	-	-	-	-	-	-	-	-	-	-	-
18	331		Transmission & Distribution Mains	2.00%	3,935	-	3,935	-	-	-	-	25,950	2,596,941	983,489	1,613,452
19	333		Services	3.33%	432	-	432	-	2,500	2,500	-	2,015	121,697	40,268	81,430
20	334		Meters	8.33%	3,238	(282)	2,957	-	1,200	1,200	-	17,499	421,490	236,507	184,983
21	335		Hydrants	2.00%	357	-	357	-	-	-	-	1,476	147,561	17,058	130,503
22	336		Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-
23	339		Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	41	1,237	281	956
24	340		Office Furniture & Equipment	6.67%	1,850	-	1,850	-	-	-	-	2,283	68,707	35,550	33,157
25	340.1		Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-
26	341		Transportation Equipment	20.00%	-	-	-	-	-	-	-	8,553	88,026	80,080	7,946
27	342		Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-
28	343		Tools, Shop & Garage Equipment	5.00%	102	-	102	-	-	-	-	927	38,687	17,605	21,082
29	344		Laboratory Equipment	10.00%	-	-	-	-	-	-	-	(148)	5,930	5,930	-
30	345		Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
31	346		Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
32	347		Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	500	20,000	1,000	19,000
33	348		Other Tangible Plant	3.33%	-	-	-	-	-	-	-	70	4,237	3,591	646
34															
35			TOTAL		601,913	(532,585)	69,328	175,600	77,875	253,475	-	113,142	6,412,223	2,086,298	4,325,924
36															
37			Depreciable Plant										5,964,027		
38			Composite Depreciation Rate										1.8971%		
39															

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Reconciliation of Plant Additions, Retirements and Accumulated Depreciation

NARUC Account		Description	Allowed Deprec. Rate	2009				Adjusted Plant	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
Line No.	No.			Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements								
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	40,000	-	40,000	-	-	-	-	-	-	488,196	-	488,196
4	304	Structures & Improvements	3.33%	16,688	31,987	48,675	-	-	-	-	-	1,382	65,841	10,754	55,087
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	285,481	(107,640)	177,842	-	-	-	-	-	38,710	1,251,384	78,909	1,172,475
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	94,423	107,640	202,062	-	-	-	-	-	74,124	694,025	462,258	231,767
12	320	Water Treatment Equipment	3.33%	1,083,799	(31,987)	1,051,813	-	-	-	-	-	18,323	1,076,140	21,760	1,054,380
13	320	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	20,080	-	20,080	-	-	-	-	-	18,927	862,595	242,726	619,869
16	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	-	-	51,939	2,596,941	1,035,428	1,561,513
19	333	Services	3.33%	-	-	-	-	-	2,500	2,500	-	4,011	119,197	41,778	77,419
20	334	Meters	8.33%	-	-	-	-	-	1,200	1,200	-	35,060	420,290	270,367	149,923
21	335	Hydrants	2.00%	-	-	-	-	-	-	-	-	2,951	147,561	20,009	127,552
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	83	1,237	364	874
24	340	Office Furniture & Equipment	6.67%	435	-	435	-	-	-	-	-	4,597	69,142	40,147	28,995
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	7,946	88,026	88,026	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	678	-	678	-	-	-	-	-	1,951	39,365	19,556	19,809
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	5,930	5,930	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	2,000	20,000	3,000	17,000
33	348	Other Tangible Plant	3.33%	-	-	-	-	-	-	-	-	141	4,237	3,732	504
34															
35		TOTAL		1,541,585	0	1,541,585	-	-	3,700	3,700	-	262,145	7,950,108	2,344,743	5,605,364
36															
37		Depreciable Plant											7,461,912		
38		Composite Depreciation Rate											3.5131%		
39															

NARUC Account		Description	Allowed Deprec. Rate	2010				Adjusted Plant	Unbooked Retirements	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.	Net Plant
Line No.	No.			Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements								
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	488,196	-	-	488,196
4	304	Structures & Improvements	3.33%	22,411	-	22,411	-	-	-	-	2,566	88,253	13,320	-	74,933
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	17,284	(16,738)	546	-	2,408	2,408	-	41,640	1,249,522	118,141	-	1,131,381
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-	-
11	311	Pumping Equipment	12.50%	-	16,738	16,738	-	-	-	-	87,799	710,763	550,057	-	160,706
12	320	Water Treatment Equipment	3.33%	1,706	-	1,706	-	-	-	-	35,864	1,077,846	57,624	-	1,020,223
13	320	Water Treatment Plants	-	-	-	-	-	-	-	-	-	-	-	-	-
14	320	Solution Chemical Feeders	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	1,363	-	1,363	-	-	-	-	19,165	863,958	261,890	-	602,068
16	330.1	Storage Tanks	-	-	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	-	-	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	422,659	-	422,659	-	-	-	-	56,165	3,019,600	1,091,594	-	1,928,006
19	333	Services	3.33%	19,275	-	19,275	-	2,500	2,500	-	4,249	135,972	43,527	-	92,445
20	334	Meters	8.33%	5,382	-	5,382	-	1,200	1,200	-	35,184	424,472	304,352	-	120,120
21	335	Hydants	2.00%	103,300	-	103,300	-	-	-	-	3,984	250,861	23,993	-	226,868
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	83	1,237	446	-	791
24	340	Office Furniture & Equipment	6.67%	4,555	-	4,555	-	4,968	4,968	-	4,598	68,729	39,777	-	28,953
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	88,026	88,026	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	5,536	-	5,536	-	-	-	-	2,107	44,901	21,663	-	23,239
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	5,930	5,930	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	2,000	20,000	5,000	-	15,000
33	348	Other Tangible Plant	3.33%	-	-	-	-	-	-	-	141	4,237	3,873	-	363
34															
35		TOTAL		603,472	-	603,472	-	11,076	11,076	-	295,544	8,542,504	2,629,212	-	5,913,292
36															
37		Depreciable Plant										8,054,308			
38		Composite Depreciation Rate										3.6694%			
39															

[illegible]

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Computation of Working Capital

Exhibit: RLJ-DT4
Schedule B-5
Page 1
Witness: Jones

Line No.		<u>Working Capital</u>
1		
2	Cash Working Capital	\$ 46,235
3	(Schedule B-5, Page 2)	
4		
5	Material and Supplies Inventories	32,699
6		
7	Working Funds and Special Deposits	146,105
8		
9	Prepayments	9,035
10		
11	Total Working Capital Allowance	<u>\$ 234,073</u>
12		
13	<u>Supporting Schedules:</u>	
14	E-1	
15		

Recap Schedules:
B-1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Computation of Cash Working Capital

Exhibit: RLJ-DT4
Schedule B-5
Page 2
Witness: Jones

Line No.		Test Year Adjusted Amount	Revenue Lag Days	Expense Lag Days	Net Lag Days	Lead / Lag Factor	Cash Working Capital Required
1	OPERATING EXPENSES						
2	Salaries and Wages	\$ 452,645	32.1273	12.0000	20.1273	0.0551	\$ 24,960
3	Employee Pension and Benefits	8,791	32.1273	243.5000	(211.3727)	(0.5791)	(5,091)
4	Group Insurance	64,947	32.1273	(19.4292)	51.5565	0.1413	9,174
5	Purchased Water	4,045	32.1273	35.6367	(3.5094)	(0.0096)	(39)
6	Purchased Power	143,759	32.1273	32.0939	0.0334	0.0001	13
7	Chemicals	7,567	32.1273	6.3569	25.7704	0.0706	534
8	Repairs and Maintenance	128,499	32.1273	23.4959	8.6314	0.0236	3,039
9	Contractual Services	33,959	32.1273	24.1491	7.9782	0.0219	742
10	Rent - Buildings	35,553	32.1273	(18.6828)	50.8101	0.1392	4,949
11	Transportation Expense	29,087	32.1273	30.0000	2.1273	0.0058	170
12	Insurance	23,406	32.1273	(12.2709)	44.3982	0.1216	2,847
13	Depreciation & Amortization	322,982	32.1273	-	32.1273	0.0880	28,429
14	Other Operating Expenses ¹	76,495	32.1273	30.0000	2.1273	0.0058	446
15	TAXES						
16	Taxes Other than Income	33,756	32.1273	12.0000	20.1273	0.0551	1,861
17	Property Taxes ²	55,451	32.1273	202.2500	(170.1227)	(0.4661)	(25,845)
18	Income Tax ²	8,256	32.1273	30.1300	1.9973	0.0055	45
19							
20							
21							
22							
23	WORKING CASH REQUIREMENT						<u>\$ 46,235</u>
24							
25	¹ All other Operating Expenses are assumed to be paid by the 15th of the month following the receipt of goods and services.						
26	² At proposed rates.						
27							
28	<u>Workpapers:</u>						
29	VU Lead Lag Study.xlsx						
30							

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Adjusted Test Year Income Statement

Exhibit: RLJ-DT4
Schedule C-1
Page 1
Witness: Jones

Line No.		Actual for Test Year Ended 12/31/2011	Total Pro forma Adjustments	Test Year Results After Pro forma Adjustments	Proposed Rate Increase	Adjusted With Rate Increase
1	Revenues					
2	460 Unmetered Water Revenue	\$ 682	\$ -	\$ 682	88	\$ 770
3	461 Metered Water Revenues	1,388,878	6,548	1,395,426	156,913	1,552,339
4	474 Other Water Revenues	58,414	-	58,414		58,414
5	Total Revenues	\$ 1,447,974	\$ 6,548	\$ 1,454,522	\$ 157,001	\$ 1,611,523
6	Operating Expenses					
7	601 Salaries and Wages	\$ 452,645	\$ -	\$ 452,645		\$ 452,645
8	604 Employee Pension and Benefits	73,738	-	73,738		73,738
9	610 Purchased Water	4,045	-	4,045		4,045
10	615 Purchased Power	143,759	-	143,759		143,759
11	618 Chemicals	7,567	-	7,567		7,567
12	620 Repairs and Maintenance	130,704	(2,204)	128,499		128,499
13	621 Office Supplies Expense	8,119	-	8,119		8,119
14	631 Contractual Services - Engineering	2,020	-	2,020		2,020
15	632 Contractual Services - Accounting	2,879	-	2,879		2,879
16	633 Contractual Services - Legal	23,970	(19,711)	4,259		4,259
17	634 Contractual Services - Management Fees	-	-	-		-
18	635 Contractual Services - Testing	10,732	-	10,732		10,732
19	636 Contractual Services - Other	22,036	(7,968)	14,069		14,069
20	641 Rent - Buildings	35,553	-	35,553		35,553
21	642 Rent - Equipment	2,215	-	2,215		2,215
22	650 Transportation Expense	29,087	-	29,087		29,087
23	656 Insurance - Vehicle	-	-	-		-
24	657 Insurance - General Liability	20,878	-	20,878		20,878
25	658 Insurance - Workman's Compensation	2,528	-	2,528		2,528
26	659 Insurance - Other	-	-	-		-
27	660 Advertising Expense	-	-	-		-
28	666 Regulatory Commission Expense - Rate Case	30,149	9,851	40,000		40,000
29	667 Regulatory Expense - Other	14,169	-	14,169		14,169
30	668 Water Resource Conservation Expense	-	-	-		-
31	670 Bad Debt Expense	2,975	-	2,975	321	3,296
32	675 Miscellaneous Expense	49,714	(697)	49,017		49,017
33	403 Depreciation Expense	282,308	40,674	322,982		322,982
34	408 Taxes Other Than Income	33,756	-	33,756		33,756
35	408.11 Property Taxes	46,573	6,952	53,525	1,926	55,451
36	409 Income Tax	(15,006)	(9,116)	(24,122)	32,379	8,256
37	Total Operating Expenses	\$ 1,417,114	\$ 17,781	\$ 1,434,894	\$ 34,626	\$ 1,469,520
38	Operating Income	\$ 30,861	\$ (11,233)	\$ 19,628	\$ 122,375	\$ 142,003
39	Other Income (Expense)					
40	419 Interest and Dividend Income	\$ 68	\$ -	\$ 68		\$ 68
41	421 Non-Utility Income	164	-	164		164
42	426 Miscellaneous Non-Utility Expenses	(15,828)	-	(15,828)		(15,828)
43	427 Interest Expense	(104,994)	(5,804)	(110,798)		(110,798)
44	Total Other Income (Expense)	\$ (120,590)	\$ (5,804)	\$ (126,394)	\$ -	\$ (126,394)
45	Net Income (Loss)	\$ (89,729)	\$ (17,037)	\$ (106,766)	\$ 122,375	\$ 15,609

Supporting Schedules:

E-2

C-2

Recap Schedules:

A-1

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Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Income Statement Pro forma Adjustments

Exhibit: RLJ-DT4
Schedule C-2
Page 1
Jones

Witness:

Line No.		Actual for Test Year Ended 12/31/2011	ADJ IS-1	ADJ IS-2	ADJ IS-3	ADJ IS-4	ADJ IS-5	ADJ IS-6	ADJ IS-7	ADJ IS-8	ADJ IS-9
1	Revenues										
2	460 Unmetered Water Revenue	682									
3	461 Metered Water Revenues	1,388,878	6,548								
4	474 Other Water Revenues	58,414									
5	Total Revenues	1,447,974	6,548								
6	Operating Expenses										
8	601 Salaries and Wages	452,645									
9	604 Employee Pension and Benefits	73,738									
10	610 Purchased Water	4,045									
11	615 Purchased Power	143,759									
12	618 Chemicals	7,567									
13	620 Repairs and Maintenance	130,704		(2,204)							
14	621 Office Supplies Expense	8,119									
15	631 Contractual Services - Engineering	2,020									
16	632 Contractual Services - Accounting	2,879									
17	633 Contractual Services - Legal	23,970			(19,711)						
18	634 Contractual Services - Management Fees	-									
19	635 Contractual Services - Testing	10,732									
20	636 Contractual Services - Other	22,036			(7,968)						
21	641 Rent - Buildings	35,553									
22	642 Rent - Equipment	2,215									
23	650 Transportation Expense	29,087									
24	656 Insurance - Vehicle	-									
25	657 Insurance - General Liability	20,878									
26	658 Insurance - Workman's Compensation	2,528									
27	659 Insurance - Other	-									
28	660 Advertising Expense	-									
29	666 Regulatory Commission Expense - Rate Case	30,149									
30	667 Regulatory Expense - Other	14,169									
31	668 Water Resource Conservation Expense	-									
32	670 Bad Debt Expense	2,975									
33	675 Miscellaneous Expense	49,714									
34	403 Depreciation Expense	282,308									
35	408 Taxes Other Than Income	33,756									
36	409 Property Taxes	46,573									
37	409 Income Tax	(15,006)									
38	Total Operating Expenses	1,417,114	-	(2,204)	(28,376)	-	-	-	-	-	-
39	Operating Income	30,861	6,548	2,204	28,376	-	-	-	-	-	-
40	Other Income (Expense)										
41	419 Interest and Dividend Income	68									
42	421 Non-Utility Income	164									
43	426 Miscellaneous Non-Utility Expenses	(15,828)									
44	427 Interest Expense	(104,994)									
45	Total Other Income (Expense)	(120,590)	-	-	-	-	-	-	-	-	-
46	Net Income (Loss)	(89,729)	6,548	2,204	28,376	-	-	-	-	-	-

Recap Schedules:
C-1

Supporting Schedules:

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Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Income Statement Pro forma Adjustments

Exhibit: RJ-DT4
Schedule C-2
Page 2
Jones

Witness:

Line No.		ADJ IS-10 Not Used	ADJ IS-11 Not Used	ADJ IS-12 Not Used	ADJ IS-13	ADJ IS-14	ADJ IS-15	ADJ IS-16	ADJ IS-17	Total Adjustments	Test Year Adjusted Results
Revenues											
1	460 Unmetered Water Revenue									\$ -	\$ 682
2	461 Metered Water Revenues									6,548	1,395,426
3	474 Other Water Revenues									-	58,414
4	Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,548	1,454,522
Operating Expenses											
5	601 Salaries and Wages									\$ -	\$ 452,645
6	604 Employee Pension and Benefits									-	73,738
8	610 Purchased Water									-	4,045
9	615 Purchased Power									-	143,759
10	618 Chemicals									-	7,567
11	620 Repairs and Maintenance									(2,204)	128,499
12	621 Office Supplies Expense									-	8,119
13	631 Contractual Services - Engineering									-	2,020
14	632 Contractual Services - Accounting									-	2,879
15	633 Contractual Services - Legal									(19,711)	4,259
16	634 Contractual Services - Management Fees									-	-
17	635 Contractual Services - Testing									-	10,732
18	636 Contractual Services - Other									(7,968)	14,069
19	641 Rent - Buildings									-	35,553
20	642 Rent - Equipment									-	2,215
21	650 Transportation Expense									-	29,087
22	656 Insurance - Vehicle									-	-
23	657 Insurance - General Liability									-	20,878
24	658 Insurance - Workman's Compensation									-	2,528
25	659 Insurance - Other									-	-
26	660 Advertising Expense									-	-
27	666 Regulatory Commission Expense - Rate Case									9,851	40,000
28	667 Regulatory Expense - Other									-	14,169
29	668 Water Resource Conservation Expense									-	-
30	670 Bad Debt Expense									-	2,975
31	675 Miscellaneous Expense									(697)	49,017
32	403 Depreciation Expense						40,674			40,674	322,982
33	408 Taxes Other Than Income									-	33,756
34	408 Property Taxes									6,952	53,525
35	409 Income Tax									(9,116)	(24,122)
36	Total Operating Expenses	\$ -	\$ -	\$ -	\$ 9,851	\$ -	\$ 40,674	\$ 6,952	\$ (9,116)	17,781	1,434,894
37	Operating Income	\$ -	\$ -	\$ -	\$ (9,851)	\$ -	\$ (40,674)	\$ (6,952)	\$ 9,116	(11,233)	19,628
38	Other Income (Expense)									\$ -	68
39	419 Interest and Dividend Income									-	164
40	421 Non-Utility Income									-	(15,828)
41	426 Miscellaneous Non-Utility Expenses									(5,804)	(110,798)
42	427 Interest Expense									-	-
43	Total Other Income (Expense)	\$ -	\$ -	\$ -	\$ (5,804)	\$ (5,804)	\$ (40,674)	\$ (6,952)	\$ 9,116	(5,804)	(126,394)
44	Net Income (Loss)	\$ -	\$ -	\$ -	\$ (9,851)	\$ (5,804)	\$ (40,674)	\$ (6,952)	\$ 9,116	(17,037)	(106,766)

Recap Schedules:
C-1

Supporting Schedules:
48

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Income Statement Adjustment IS-1

Exhibit: RLJ-DT4
Schedule C-2
Page 3
Witness: Jones

Line

No.

1 Adjust Revenue to Eliminate Billing System Error

2

3 During preparation of this filing, it was discovered that the bills for residential customers were understated
4 because the usage between 10,000 and 13,000 gallons was underbilled due to a billing system error.

5 This adjustment corrects test year revenue.

6

Test Year

7

Usage between

8

10,000 to 30,000

9

Gallons

10 5/8x3/4 " Residential Meters

593,470

11 3/4" Residential Meters

8,628,920

12 Total

9,222,390

13

14 Billed Rate for Usage

\$ 2.44

15 Tariffed Rate for Usage

\$ 3.15

16

17 Revenue as Billed

\$ 22,503

18 Revenue per Tariff

29,051

19 Under billed Amount

\$ 6,548

20

23 Increase/(Decrease) in Revenue

\$ 6,548

24

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Income Statement Adjustment IS-2

Exhibit: RLJ-DT4
Schedule C-2
Page 4
Witness: Jones

Line

No.

1 Normalize Repairs and Maintenance Expense

2

3 Test Year repairs and maintenance expense includes costs for valve maintenance,
4 arsenic media replacement and tank coating that should be normalized to
5 reflect an average annual cost.

6

7	2011 Repairs and Maintenance Cost	\$	130,704	\$	<u>130,704</u>
---	-----------------------------------	----	---------	----	----------------

8 Less:

9	TY Arsenic Media Replacement Cost		69,576		
---	-----------------------------------	--	--------	--	--

10	TY Valve Maintenance Cost		<u>18,382</u>		
----	---------------------------	--	---------------	--	--

11	Normalized Standard Maintenance Cost	\$	<u>42,745</u>		
----	--------------------------------------	----	---------------	--	--

12 Add:

13	Normalized Arsenic Media Replacement Cost	\$	46,158		
----	---	----	--------	--	--

14	Normalized Valve Maintenance Cost		16,596		
----	-----------------------------------	--	--------	--	--

15	Normalized Tank Coating Cost		<u>23,000</u>		
----	------------------------------	--	---------------	--	--

16	Normalized Repairs and Maintenance Expense	\$	128,499	\$	<u>128,499</u>
----	--	----	---------	----	----------------

17

18	Increase/(Decrease) in Repairs and Maintenance			\$	<u>(2,204)</u>
----	--	--	--	----	----------------

19

20 Workpaper

21 Expense Normalization.xlsx

22

Line

No.

1 Remove Arsenic Treatment Project Costs from Expenses

2

3 Costs related to the arsenic treatment project were charged to contract services and miscellaneous
4 expense during the test year. The capital expenditures should be removed from operating expenses.

5

6 TY Contract Services - Legal \$ 23,970

7 Arsenic Treatment Related Costs 19,711

8 Net Contract Services Legal \$ 4,259

9

10 TY Contract Services - Other \$ 22,036

11 Arsenic Treatment Related Costs 7,968

12 Net Contract Services - Other \$ 14,069

13

14 TY Miscellaneous Expense \$ 49,714

15 Arsenic Treatment Related Costs (Travel) 697

16 Net Miscellaneous Expense \$ 49,017

17

18

19 Increase/(Decrease) in Contract Services - Legal \$ (19,711)

20

21 Increase/(Decrease) in Contract Services - Other \$ (7,968)

22

23 Increase/(Decrease) in Miscellaneous Expense \$ (697)

24

25 Increase/(Decrease) in Expenses \$ (28,376)

26

27 Workpaper

28 Capitalized Expense.xlsx

29

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Income Statement Adjustment IS-13

Exhibit: RLJ-DT4
Schedule C-2
Page 6
Witness: Jones

Adjust Rate Case Expense

Line			
<u>No.</u>			
1	Estimated Rate Case Expense	\$	120,000
2			
3	Amortization Period (Years)		3
4			
5	Annualized Rate Case Expense	\$	40,000
6			
7	Test Year Rate Case Expense		30,149
8			
9	Increase / (Decrease) in Rate Case Expense		9,851
10			

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Income Statement Adjustment IS-14

Exhibit: RLJ-DT4
Schedule C-2
Page 7
Witness: Jones

Synchronize Interest Expense with Rate Base

Line			
No.			
1	Adjusted Rate Base	\$ 2,201,184	Sch. B-1
2			
3	Weighted Cost of Long-Term Debt	5.034%	Sch. D-1
4	Weighted Cost of Short-Term Debt	-	Sch. D-1
5			
6	Synchronized Long-Term Interest	\$ 110,798	
7	Synchronized Short-Term Interest	-	
8	Synchronized Interest Expense	110,798	
9			
10	Test Year Interest Expense	104,994	
11			
12	Increase / (Decrease) In Interest Expense	5,804	
13			

Adjust Depreciation Expense to Reflect Adjusted Plant Balances

Line No.	Acct Description	Adjusted Test Year Balance <u>12/31/2011</u>	Proposed Depreciation Rate	Depreciation Expense
1				
2	301 Organization Cost	\$ -	0.00%	\$ -
3	302 Franchise Cost	-	0.00%	-
4	303 Land and Land Rights	543,196	0.00%	-
5	304 Structures & Improvements	252,160	3.33%	8,397
6	305 Collecting & Impounding Reservoirs	-	2.50%	-
7	306 Lake, River, Canal Intakes	-	2.50%	-
8	307 Wells & Springs	1,425,122	3.33%	47,457
9	308 Infiltration Galleries	-	6.67%	-
10	309 Raw Water Supply Mains	-	2.00%	-
11	310 Power Generation Equipment	-	5.00%	-
12	311 Pumping Equipment	801,549	12.50%	100,194
13	320 Water Treatment Equipment	2,074,391	3.33%	69,077
14	320 Water Treatment Plants	18,428		-
15	320 Solution Chemical Feeders	-		-
16	330 Distribution Reservoirs & Standpipes	874,959	2.22%	19,424
17	330 Storage Tanks	-		-
18	330 Pressure Tanks	-		-
19	331 Transmission & Distribution Mains	3,221,036	2.00%	64,421
20	333 Services	143,593	3.33%	4,782
21	334 Meters	452,803	8.33%	37,719
22	335 Hydrants	289,011	2.00%	5,780
23	336 Backflow Prevention Devices	-	6.67%	-
24	339 Other Plant & Misc Equipment	1,237	6.67%	83
25	340 Office Furniture & Equipment	68,321	6.67%	4,557
26	340 Computers & Software	-	20.00%	-
27	341 Transportation Equipment	88,026	20.00%	17,605
28	342 Stores Equipment	-	4.00%	-
29	343 Tools, Shop & Garage Equipment	46,009	5.00%	2,300
30	344 Laboratory Equipment	-	10.00%	-
31	345 Power Operated Equipment	5,930	5.00%	296
32	346 Communication Equipment	-	10.00%	-
33	347 Miscellaneous Equipment	20,000	10.00%	2,000
34	348 Other Tangible Plant	6,090	3.33%	203
35	TOTALS	\$ 10,331,861		\$ 384,294
36				
37	Less: Amortization of CIAC	\$ 1,561,727	3.9259%	\$ 61,312
38				
39	Adjusted Test Year Depreciation Expense			\$ 322,982
40				
41	Test Year Depreciation Expense			\$ 282,308
42				
43	Increase / (Decrease) in Depreciation Expense			\$ 40,674
44				

Adjust Property Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description	Company As Adjusted	Company Proposed
1	Adjusted Test Year Revenue	\$ 1,454,522	\$ 1,454,522
2	Adjusted Test Year Revenue	1,454,522	1,454,522
3	Adjusted Test Year Revenue	1,454,522	
4	Proposed Revenues after Increase		1,611,523
5	Average of three year's of revenue	1,454,522	1,506,856
6	Average of three year's of revenue, times 2	2,909,044	3,013,711
7	Add:		
8	Construction Work In Progress at 10%	-	-
9	Deduct:		
10	Net Book Value of Transportation Equipment	-	-
11			
12	Full Cash Value	2,909,044	3,013,711
13	Assessment Ratio	20.0%	20.0%
14	Assessed Value	581,809	602,742
15	Property Tax Rate (Test Year)	9.1998%	9.1998%
16			
17	Adjusted Test Year Property Tax	\$ 53,525	
18	Recorded Test Year Property Tax	46,573	
19	Test Year Adjustment	\$ 6,952	
20			
21	Property Tax at Proposed Rates		\$ 55,451
22	Adjusted Test Year Property Tax		53,525
23	Increase in Property Tax due to Rate Increase		\$ 1,926
24			
25	<u>Calculation of Property Tax Factor</u>		
26	Increase to Property Tax Expense		\$ 1,926
27	Increase in Revenue Requirement		\$ 157,001
28	Property Tax Factor (L25 / L26)		1.2266%
29			

Adjust Income Tax Expense to Reflect Adjusted Test Year and Proposed Revenues

Line No.	Description	Adjusted Test Year	Proposed with Increase
1			
2	<u>Calculation of Income Tax:</u>		
3	Revenue	\$ 1,454,522	\$ 1,611,523
4	Less: Operating Expenses (Excluding Income Taxes)	1,459,017	1,461,264
5	Less: Synchronized Interest	110,798	110,798
6	Arizona Taxable Income	\$ (115,293)	\$ 39,461
7	Arizona State Income Tax Rate	6.9680%	6.9680%
8	Arizona Income Tax	\$ (8,034)	\$ 2,750
9	Federal Taxable Income	\$ (107,259)	\$ 36,712
10			
11	Federal Tax on First Income Bracket (\$1 - \$50,000) @ 15%	\$ (16,089)	\$ 5,507
12	Federal Tax on Second Income Bracket (\$50,001 - 75,000) @ 25%	-	-
13	Federal Tax on Third Income Bracket (\$75,001 - 100,000) @ 34%	-	-
14	Federal Tax on Fourth Income Bracket (\$100,001 - 335,000) @ 39%	-	-
15	Federal Tax on Fifth Income Bracket (\$335,001 - 10,000,000) @ 34%	-	-
16	Federal Tax on Sixth Income Bracket (\$10,000,001 - 15,000,000) @ 35%	-	-
17	Federal Tax on Seventh Income Bracket (\$15,000,001 - 18,333,333) @ 38%	-	-
18	Federal Tax on Eighth Income Bracket (\$18,333,334 -) @ 35%	-	-
19	Total Federal Income Tax	\$ (16,089)	\$ 5,507
20			
21	Combined Federal and State Income Tax	\$ (24,122)	\$ 8,256
22			
23	Applicable Arizona State Income Tax Rate (Rate Applicable to Revenue Increase)		6.9680%
24	Applicable Federal Income Tax Rate (Rate Applicable to Revenue Increase)		15.0000%
25			
26	<u>Calculation of Interest Synchronization</u>		
27	Rate Base	\$ 2,201,184	
28	Weighted Average Cost of Debt	5.034%	
29	Synchronized Interest	\$ 110,798	
30			
31	<u>Income Tax Adjustments</u>		
32	Test Year Income Taxes - Booked	\$ (15,006)	
33	Increase / (decrease) in Income Taxes (L21 - L32)	(9,116)	
34			
35	Test Year Income Taxes - Adjusted		\$ (24,122)
36	Increase / (decrease) in Federal Income Taxes (L21 - L35)		32,379
37			
38			

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Computation of Gross Revenue Conversion Factor

Exhibit: RLJ-DT4
Schedule C-3
Page 1
Witness: Jones

Line

Calculation of Gross Revenue Conversion Factor

1	Revenue	100.0000%
2	Uncollectable Factor (Line 11)	0.1618%
3	Revenue (L1 - L2)	99.8382%
4	Combined Income Tax and Property Tax Rate (Line 23)	21.8928%
5	Operating Income Percentage (L3 -L4)	77.9454%
6	Gross Revenue Conversion Factor (L1 / L5)	1.282949

Calculation of Uncollectable Factor

7	Unity	100.0000%
8	Combined Federal and State Tax Rate (Line 17)	20.9228%
9	One Minus Combined Federal and State Tax Rate (L7 - L8)	79.0772%
10	Uncollectable Rate (Line 26)	0.2046%
11	Uncollectable Factor (L9 * L10)	0.1618%

Calculation of Effective Tax Rate

12	Operating Income Before Taxes	100.0000%
13	Applicable Arizona State Tax Rate (from Schedule C-2)	6.9680%
14	Federal Taxable Income (L12 - L13)	93.0320%
15	Applicable Federal Tax Rate (from Schedule C-2)	15.0000%
16	Effective Federal Tax Rate (L14 * L15)	13.9548%
17	Combined Federal and State Tax Rate (L13 + L16)	20.9228%

Calculation of Effective Property Tax Rate

18	Unity	100.0000%
19	Combined Federal and State Tax Rate (Line 17)	20.9228%
20	One Minus Combined Income Tax Rate (L18 - L19)	79.0772%
21	Property Tax Factor (from Schedule C-2)	1.2266%
22	Effective Property Tax Factor (L20 * L21)	0.9700%
23	Combined Federal and State Income Tax Rate and Property Tax Rate (L17 + L22)	21.8928%

Calculation of Uncollectable Rate

24	Bad Debt Expense (from Schedule C-1)	\$ 2,975
25	Total Revenues (from Schedule C-1)	1,454,522
26	Uncollectable Rate (L24 / L25)	0.2046%
27	Revenue Increase (from Schedule C-1)	\$ 157,001
28	Uncollectable Rate (Line 26)	0.2046%
29	Bad Debt Expense due to Increase	\$ 321

Supporting Schedules:

30
31

Recap Schedules:

A-1

Line No.	Invested Capital	End of Test Year (Adjusted)			End of Projected Year (Current Rates)			End of Projected Year (Proposed Rates)					
		Amount	Percent of Total	Cost Rate	Weighted Cost	Amount	Percent of Total	Cost Rate	Weighted Cost				
1													
2	Long-Term Debt	\$ 1,770,091	87.11%	5.778%	5.034%	\$ 1,679,070	92.07%	5.778%	5.320%	\$ 1,679,070	86.28%	5.778%	4.985%
3													
4	Short-Term Debt		0.00%		0.000%		0.00%		0.000%		0.00%		0.000%
5													
6	Adjusted Common Equity	\$ 261,871	12.89%	11.000%	1.418%	\$ 144,643	7.93%	11.000%	0.872%	\$ 267,018	13.72%	11.000%	1.509%
7													
8	Totals	\$ 2,031,962	100.00%		6.451%	\$ 1,823,712	100.00%		6.192%	\$ 1,946,087	100.00%		6.495%
9													
10													
11	Equity Adjustments												
12	Common Equity per Sch. E-1	\$ 212,101											
13													
14	PIS Equity Adjustments	\$ 29,551											
15	A/D Equity Adjustments	(23,228)											
16	AIAC Equity Adjustment	-											
17	CIAC Equity Adjustment	-											
18	AA CIAC Equity Adjustment	43,448											
19													
20	Adjusted Common Equity	\$ 261,871											
21													
22	Supporting Schedules:												
23	D-2 D-3												
24	D-4 E-1												
25													

Recap Schedules:

A-3

Recap Schedules:
A-3

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Cost of Long-Term and Short-Term Debt

Exhibit: RLJ-DT4
Schedule D-2
Page 1
Witness: Jones

Line
No.

	End of Test Year			End of Projected Year		
	Amount Outstanding	Annual Interest	Interest Rate	Amount Outstanding	Annual Interest	Interest Rate
4 <u>Long-Term Debt</u>						
5 WIFA - Maturity 10/1/2026	\$ 1,540,318	\$ 91,417	5.775%	\$ 1,457,625	\$ 86,787	5.775%
6 WIFA - Maturity 10/1/2028	229,773	13,576	5.800%	221,444	13,108	5.800%
7						
8 Total Long-Term Debt	<u>\$ 1,770,091</u>	<u>\$ 104,993</u>	<u>5.778%</u>	<u>\$ 1,679,070</u>	<u>\$ 99,895</u>	<u>5.778%</u>
9						
10						
11 <u>Short-Term Debt</u>						
12 None Outstanding						
13						
14 Total All Debt	<u>\$ 1,770,091</u>	<u>\$ 104,993</u>	<u>5.778%</u>	<u>\$ 1,679,070</u>	<u>\$ 99,895</u>	<u>5.778%</u>

17 Supporting Schedules:

18 E-1

19

Recap Schedules:

D-1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Cost of Preferred Stock

Exhibit: RLJ-DT4
Schedule D-3
Page 1
Witness: Jones

Line
No.

1
2 Not Applicable - No preferred stock issued or outstanding
3
4 Supporting Schedules:
5
6

Recap Schedules:
D-1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Cost of Common Equity

Exhibit: RLJ-DT4
Schedule D-4
Page 1
Witness: Jones

Line
No.

1
2 Valley Utilities Water Company, Inc. is proposing an 11.0% cost of common equity per its filed testimony
3
4 Supporting Schedules:
5
6

Recap Schedules:
D-1

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Comparative Balance Sheet

Exhibit: RLV-DT4
Schedule E-1
Page 1
Witness: Jones

Line No.		Test Year Ended 12/31/2011	Prior Year Ended 12/31/2010	Prior Year Ended 12/31/2009
1	ASSETS			
2	PROPERTY PLANT AND EQUIPMENT			
3	101 Utility Plant In Service	\$ 10,311,306	\$ 8,809,579	\$ 8,206,107
4	103 Property Held for Future Use	-	-	-
5	105 Construction Work in Progress	-	1,033,785	1,002,757
6	108 Less: Accumulated Depreciation	(3,114,695)	(3,172,337)	(2,866,105)
7	Net Plant	<u>\$ 7,196,611</u>	<u>\$ 6,671,027</u>	<u>\$ 6,342,760</u>
8				
9	CURRENT ASSETS			
10	131 Cash and Equivalents	\$ 45,426	\$ 241,902	\$ 134,701
11	132 Special Deposits	146,105	108,852	71,598
12	141 Customer Accounts Receivable	83,866	90,808	88,019
13	146 Notes/Receivables from Associated Companies	-	-	-
14	151 Plant Materials and Supplies	32,699	27,522	28,216
15	162 Prepayments	9,035	1,811	41,476
16	174 Miscellaneous Current and Accrued Assets	-	-	-
17	Total Current Assets	<u>\$ 317,131</u>	<u>\$ 470,894</u>	<u>\$ 364,010</u>
18				
19	DEFERRED DEBITS			
20	186 Deferred Debits	\$ 36,080	\$ 65,322	\$ 168,206
21				
22	TOTAL ASSETS	<u>\$ 7,549,822</u>	<u>\$ 7,207,243</u>	<u>\$ 6,874,976</u>
23				
24	LIABILITIES AND STOCKHOLDERS' EQUITY			
25	CAPITAL ACCOUNTS			
26	201 Common Stock Issued	\$ 410,000	\$ 410,000	\$ 410,000
27	211 Paid in Capital	4,988	4,988	4,988
28	215 Retained Earnings	(202,887)	(264,259)	(326,775)
29	Total Capital	<u>\$ 212,101</u>	<u>\$ 150,728</u>	<u>\$ 88,213</u>
30				
31	LONG-TERM DEBT			
32	221 Bonds	-	-	-
33	224 Other Long-Term Debt	1,770,091	1,853,919	1,935,031
34	Total long-Term Debt	<u>\$ 1,770,091</u>	<u>\$ 1,853,919</u>	<u>\$ 1,935,031</u>
35				
36	CURRENT LIABILITIES			
37	231 Accounts Payable	\$ 152,942	\$ 63,874	\$ 75,422
38	232 Notes Payable	-	-	25,809
39	234 Payable to Associated Companies	-	-	-
40	235 Customer Deposits	78,425	85,314	93,071
41	236 Accrued Taxes	30,265	29,836	29,221
42	237 Accrued Interest	-	-	-
43	241 Miscellaneous Current Liabilities	10,653	9,319	10,875
44	Total Current Liabilities	<u>\$ 272,285</u>	<u>\$ 188,342</u>	<u>\$ 234,398</u>
45				
46				
47	DEFERRED CREDITS			
48	252 Advances in Aid of Construction	\$ 3,933,272	\$ 3,812,456	\$ 3,518,086
49	271 Contributions in Aid of Construction	1,561,727	1,427,554	1,324,254
50	272 Accumulated Amortization CIAC	(395,016)	(351,894)	(331,038)
51	281 Accumulated Deferred Income Tax	195,362	126,137	106,032
52	Total Deferred Credits	<u>\$ 5,295,345</u>	<u>\$ 5,014,253</u>	<u>\$ 4,617,334</u>
53				
54	Total Liabilities & Common Equity	<u>\$ 7,549,822</u>	<u>\$ 7,207,243</u>	<u>\$ 6,874,976</u>

Supporting Schedules:

E-5

Recap Schedules:

A-3

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Comparative Income Statements

Exhibit: RLI-DT4
Schedule E-2
Page 1
Witness: Jones

Line No.		Test Year Ended 12/31/2011	Prior Year Ended 12/31/2010	Prior Year Ended 12/31/2009
1	Revenues			
2	460 Unmetered Water Revenue	\$ 682	\$ 491	\$ 197
3	461 Metered Water Revenues	1,388,878	1,344,014	1,137,170
4	474 Other Water Revenues	58,414	66,005	75,993
5	Total Revenues	\$ 1,447,974	\$ 1,410,510	\$ 1,213,359
6	Operating Expenses			
7	601 Salaries and Wages	\$ 452,645	\$ 394,979	\$ 263,781
8	604 Employee Pension and Benefits	73,738	62,633	54,227
9	610 Purchased Water	4,045	1,776	2,715
10	615 Purchased Power	143,759	156,380	156,847
11	618 Chemicals	7,567	7,138	7,733
12	620 Repairs and Maintenance	130,704	23,734	41,137
13	621 Office Supplies Expense	8,119	8,346	5,868
14	631 Contractual Services - Engineering	2,020	636	8,953
15	632 Contractual Services - Accounting	2,879	3,038	11,386
16	633 Contractual Services - Legal	23,970	7,255	7,372
17	634 Contractual Services - Management Fees	-	-	-
18	635 Contractual Services - Testing	10,732	9,077	8,145
19	636 Contractual Services - Other	22,036	743	949
20	641 Rent - Buildings	35,553	54,332	46,370
21	642 Rent - Equipment	2,215	680	3,463
22	650 Transportation Expense	29,087	18,595	16,943
23	656 Insurance - Vehicle	-	-	-
24	657 Insurance - General Liability	20,878	21,979	20,300
25	658 Insurance - Workman's Compensation	2,528	(516)	8,154
26	659 Insurance - Other	-	-	-
27	660 Advertising Expense	-	681	-
28	666 Regulatory Commission Expense - Rate Case	30,149	25,542	13,331
29	667 Regulatory Expense - Other	14,169	9,872	12,647
30	668 Water Resource Conservation Expense	-	-	-
31	670 Bad Debt Expense	2,975	3,065	1,769
32	675 Miscellaneous Expense	49,714	45,909	44,845
33	403 Depreciation Expense	282,308	285,376	252,773
34	408 Taxes Other Than Income	33,756	28,811	20,925
35	408.11 Property Taxes	46,573	45,135	44,720
36	409 Income Tax	(15,006)	29,174	34,904
37	Total Operating Expenses	\$ 1,417,114	\$ 1,244,372	\$ 1,090,257
38	Operating Income	\$ 30,861	\$ 166,138	\$ 123,103
39	Other Income (Expense)			
40	419 Interest and Dividend Income	\$ 68	\$ 2,310	\$ -
41	421 Non-Utility Income	164	4,153	177
42	426 Miscellaneous Non-Utility Expenses	(15,828)	-	-
43	427 Interest Expense	(104,994)	(110,537)	(71,173)
44	Total Other Income (Expense)	\$ (120,590)	\$ (104,074)	\$ (70,996)
45	Net Income (Loss)	\$ (89,729)	\$ 62,064	\$ 52,106

Supporting Schedules:

Recap Schedules:
A-2

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Comparative Statement of Changes in Financial Position

Exhibit: RLJ-DT4
Schedule E-3
Page 1
Witness: Jones

	Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>	
Line <u>No.</u>				
1	<u>Source of Funds</u>			
2	Cash Flow from Operations:			
3	Net Income	\$ (89,729)	\$ 62,064	\$ 52,106
4	Adjustments to reconcile net income to net cash			
5	403 Depreciation and Amortization	282,308	285,376	252,773
6	410 Deferred Income Tax	(15,051)	20,105	61,118
7	Other Adjustments	-	-	(1,418)
8	Changes in Assets & Liabilities			
9	141 Customer Accounts Receivable	6,942	(2,789)	(12,874)
10	146 Notes/Receivables from Associated Companies	-	-	-
11	151 Plant Materials and Supplies	(5,177)	694	177
12	162 Prepayments	(7,224)	39,665	(41,476)
13	174 Miscellaneous Current and Accrued Assets	-	-	-
14	183 Special Deposits	(37,253)	(37,253)	(16,655)
15	186 Deferred Debits	29,242	102,884	(50,583)
16	231 Accounts Payable	89,068	(11,548)	64,077
17	232 Notes Payable	-	(25,809)	(80,064)
18	234 Payable to Associated Companies	-	-	-
19	235 Customer Deposits	(6,889)	(7,306)	738
20	236 Accrued Taxes	429	615	4,563
21	237 Accrued Interest	-	-	-
22	241 Miscellaneous Current Liabilities	1,334	(1,557)	(1,985)
23	Total From Operations	\$ 248,001	\$ 425,142	\$ 230,496
24				
25	Cash Flow from Financing:			
26	221 Bonds	-	-	-
27	224 Long-Term Debt	(85,924)	(81,112)	1,027,218
28	252 Advances in Aid of Construction	150,817	294,370	(114,058)
29	271 Contributions in Aid of Construction	134,173	103,300	1,320
30	211 Paid in Capital	-	-	-
31	Total From Financing	\$ 199,066	\$ 316,558	\$ 914,480
32				
33	<u>Application of Funds</u>			
34	Cash Flow from Investing Activities			
35	Capital Expenditures	(643,542)	(634,499)	(1,319,849)
36	Dividends Paid			
37	Other			
38	Total From Investing Activities	\$ (643,542)	\$ (634,499)	\$ (1,319,849)
39				
40	Net Increase/(Decrease) in Cash	\$ (196,475)	\$ 107,201	\$ (174,872)
41				
42	Cash, Beginning of Year	\$ 241,902	\$ 134,701	\$ 309,573
43	Cash, End of Year	\$ 45,426	\$ 241,902	\$ 134,701

47 Workpapers:
48 VU 2007-2011 Financial Data.xlsx - P&L, BalSht, CF Adj.

Recap Schedules:
A-5

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Statement of Changes in Stockholder's Equity

Exhibit: RLJ-DT4
Schedule E-4
Page 1
Witness: Jones

Line

No.

	Common Shares	Common Stock	Additional Paid In Capital	Retained Earnings	Total
1					
2					
3					
4	Balance, December 31, 2008	100 \$	410,000 \$	4,988 \$	(379,861) \$ 35,127
5	Additional Paid In Capital				-
6	Dividends				-
7	Adjustments/Other			980	980
8	Net Income			52,106	52,106
9					
10	Balance, December 31, 2009	100 \$	410,000 \$	4,988 \$	(326,775) \$ 88,213
11	Additional Paid In Capital				-
12	Dividends				-
13	Adjustments/Other			451	451
14	Net Income			62,064	62,064
15					
16	Balance, December 31, 2010	100 \$	410,000 \$	4,988 \$	(264,259) \$ 150,728
17	Additional Paid In Capital				-
18	Dividends				-
19	Adjustments/Other			151,102	151,102
20	Net Income			(89,729)	(89,729)
21					
22	Balance, December 31, 2011	100 \$	410,000 \$	4,988 \$	(202,887) \$ 212,101
23					
24					

Supporting Schedules:

Recap Schedules:

27

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Detail of Utility Plant

Exhibit: RLJ-DT4
Schedule E-5
Page 1
Witness: Jones

Line	Acct.		Plant	Plant	Plant
No.	No.	Plant Description	Balance	Additions, Reclassifications or Retirements	Balance
			at 12/31/2010		at 12/31/2011
1					
2	301	Organization Cost	\$ -		\$ -
3	302	Franchise Cost	-		-
4	303	Land and Land Rights	488,196	-	488,196
5	304	Structures & Improvements	56,266	2,995	59,261
6	305	Collecting & Impounding Reservoirs	-	-	-
7	306	Lake, River, Canal Intakes	-	-	-
8	307	Wells & Springs	1,648,299	1,325	1,649,625
9	308	Infiltration Galleries	-	-	-
10	309	Raw Water Supply Mains	-	-	-
11	310	Power Generation Equipment	-	-	-
12	311	Pumping Equipment	562,712	57,400	620,112
13	320	Water Treatment Equipment	1,109,833	1,142,508	2,252,341
14	320.1	Water Treatment Plants	-	-	-
15	320.2	Solution Chemical Feeders	-	-	-
16	330	Distribution Reservoirs & Standpipes	863,958	11,000	874,959
17	330.1	Storage Tanks	-	-	-
18	330.2	Pressure Tanks	-	-	-
19	331	Transmission & Distribution Mains	3,019,600	201,436	3,221,036
20	333	Services	143,472	10,121	153,593
21	334	Meters	428,353	31,651	460,005
22	335	Hydrants	250,861	38,150	289,011
23	336	Backflow Prevention Devices	-	-	-
24	339	Other Plant & Misc Equipment	1,237	-	1,237
25	340	Office Furniture & Equipment	73,697	2,179	75,876
26	340.1	Computers & Software	-	-	-
27	341	Transportation Equipment	88,026	-	88,026
28	342	Stores Equipment	-	-	-
29	343	Tools, Shop & Garage Equipment	44,901	1,108	46,009
30	344	Laboratory Equipment	-	-	-
31	345	Power Operated Equipment	5,930	-	5,930
32	346	Communication Equipment	-	-	-
33	347	Miscellaneous Equipment	20,000	-	20,000
34	348	Other Tangible Plant	4,237	1,853	6,090
35					
36		TOTAL WATER PLANT	\$ 8,809,579	\$ 1,501,727	\$ 10,311,306

Workpapers:
VU 2007-2011 Financial Data.xlsx - BalSht

Recap Schedules:
E-1
A-4

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Operating Statistics

Exhibit: RLJ-DT4
Schedule E-7
Page 1
Witness: Jones

Line No.		Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
1				
2	Gallons Sold - By Class of Service (Thousands)			
3	Residential	193,412	183,682	200,916
4	Commercial	12,477	12,753	13,985
5	Commercial (Multifamily)	56,223	48,339	46,319
6	Commercial (Irrigation)	39,318	39,575	43,684
7				
8	Total Gallons Sold	301,431	284,349	304,902
9				
10	Average Number of Customers			
11	Fire Service	5	4	4
12	Residential	1,301	1,302	1,305
13	Commercial	41	43	43
14	Commercial (Multifamily)	34	33	33
15	Commercial (Irrigation)	19	20	20
16		1,400	1,402	1,405
17				
18	Gallons Per Residential Customer	148,664	141,077	153,958
19				
20	Revenue Per Residential Customer	\$ 773	\$ 753	\$ 646
21				
22	Pumping Cost Per 1,000 Gallons	\$ 0.4769	\$ 0.5500	\$ 0.5144
23				

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Taxes Charged to Operations

Exhibit: RLJ-DT4
Schedule E-8
Page 1
Witness: Jones

Line No.	Description	Test Year Ended <u>12/31/2011</u>	Prior Year Ended <u>12/31/2010</u>	Prior Year Ended <u>12/31/2009</u>
1				
2				
3	Federal Income Tax	(15,051)	20,105	24,042
4	State Income Tax	45	9,069	10,862
5	Payroll Tax	33,756	28,811	20,925
6	Property Tax	46,573	45,135	44,720
7				
8	Totals	<u>65,323</u>	<u>103,120</u>	<u>100,548</u>

10 Workpapers:

Recap Schedules:

11 VU 2007-2011 Financial Data.xlsx - P&L, Inc Tax

12

Line

No.

- 1
- 2 The Company does not conduct independent audits.
- 3
- 4 The Company uses the NARUC System of Accounts.
- 5
- 6 The Company normalizes Income Tax Expense.
- 7
- 8
- 9 Supporting Schedules:
- 10
- 11

Recap Schedules:

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Projected Income Statements - Present and Proposed Rates

Exhibit:

RLJ-DT4
Schedule F-1
Page 1
Jones

Witness:

Line No.		Actual Test Year Ended 12/31/2011	At Present Rates Year Ended 12/31/2012	At Proposed Rates Year Ended 12/31/2012
1	Revenues			
2	460 Unmetered Water Revenue	\$ 682	\$ 682	\$ 770
3	461 Metered Water Revenues	1,388,878	1,395,426	1,552,339
4	474 Other Water Revenues	58,414	58,414	58,414
5	Total Revenues	\$ 1,447,974	\$ 1,454,522	\$ 1,611,523
6	Operating Expenses			
7	601 Salaries and Wages	\$ 452,645	\$ 466,224	\$ 466,224
8	604 Employee Pension and Benefits	73,738	75,950	75,950
9	610 Purchased Water	4,045	4,045	4,045
10	615 Purchased Power	143,759	143,759	143,759
11	618 Chemicals	7,567	7,681	7,681
12	620 Repairs and Maintenance	130,704	130,427	130,427
13	621 Office Supplies Expense	8,119	8,240	8,240
14	631 Contractual Services - Engineering	2,020	2,051	2,051
15	632 Contractual Services - Accounting	2,879	2,923	2,923
16	633 Contractual Services - Legal	23,970	4,323	4,323
17	634 Contractual Services - Management Fees	-	-	-
18	635 Contractual Services - Testing	10,732	10,893	10,893
19	636 Contractual Services - Other	22,036	14,280	14,280
20	641 Rent - Buildings	35,553	36,086	36,086
21	642 Rent - Equipment	2,215	2,248	2,248
22	650 Transportation Expense	29,087	29,523	29,523
23	656 Insurance - Vehicle	-	-	-
24	657 Insurance - General Liability	20,878	21,191	21,191
25	658 Insurance - Workman's Compensation	2,528	2,566	2,566
26	659 Insurance - Other	-	-	-
27	660 Advertising Expense	-	-	-
28	666 Regulatory Commission Expense - Rate Case	30,149	40,600	40,600
29	667 Regulatory Expense - Other	14,169	14,382	14,382
30	668 Water Resource Conservation Expense	-	-	-
31	670 Bad Debt Expense	2,975	2,975	3,296
32	675 Miscellaneous Expense	49,714	49,752	49,752
33	403 Depreciation Expense	282,308	322,982	322,982
34	408 Taxes Other Than Income	33,756	33,756	33,756
35	408.11 Property Taxes	46,573	53,525	55,451
36	409 Income Tax	(15,006)	(24,122)	8,256
37	Total Operating Expenses	\$ 1,417,114	\$ 1,456,260	\$ 1,490,885
38	Operating Income	\$ 30,861	\$ (1,738)	\$ 120,638
39	Other Income (Expense)			
40	419 Interest and Dividend Income	\$ 68	\$ 68	\$ 68
41	421 Non-Utility Income	164	164	164
42	426 Miscellaneous Non-Utility Expenses	(15,828)	(15,828)	(15,828)
43	427 Interest Expense	(104,994)	(99,895)	(99,895)
44	Total Other Income (Expense)	\$ (120,590)	\$ (115,491)	\$ (115,491)
45	Net Income (Loss)	\$ (89,729)	\$ (117,228)	\$ 5,147

Supporting Schedules:

E-2

Recap Schedules:

A-2

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Projected Changes In Financial Position - Present and Proposed Rates

Exhibit:

RLJ-DT4
Schedule F-2
Page 1
Jones

Witness:

Line No.		Test Year Ended 12/31/2011	At Present Rates Year Ended 12/31/2012	At Proposed Rates Year Ended 12/31/2012	
1	<u>Source of Funds</u>				
2	Cash Flow from Operations:				
3	Net Income	\$ (89,729)	\$ (117,228)	\$ 5,147	
4	Adjustments to reconcile net income to net cash				
5	403 Depreciation and Amortization	282,308	322,982	322,982	
6	281 Deferred Income Tax	(15,051)			
7	Other Adjustments	-			
8	Changes in Assets & Liabilities				
9	141 Customer Accounts Receivable	6,942			
10	146 Notes/Receivables from Associated Companies	-			
11	151 Plant Materials and Supplies	(5,177)			
12	162 Prepayments	(7,224)			
13	174 Miscellaneous Current and Accrued Assets	-			
14	183 Special Deposits	(37,253)			
15	186 Deferred Debits	29,242	(50,000)	(50,000)	
16	231 Accounts Payable	89,068			
17	232 Notes Payable	-			
18	234 Payable to Associated Companies	-			
19	235 Customer Deposits	(6,889)			
20	236 Accrued Taxes	429			
21	237 Accrued Interest	-			
22	241 Miscellaneous Current Liabilities	1,334			
23	Total From Operations	\$ 248,001	\$ 155,754	\$ 278,129	
24					
25	Cash Flow from Financing:				
26	221 Bonds	-			
27	224 Long-Term Debt	(85,924)	(91,021)	(91,021)	
28	252 Advances in Aid of Construction	150,817	(88,617)	(88,617)	
29	271 Contributions in Aid of Construction	134,173	-	-	
30	211 Paid in Capital	-			
31	Total From Financing	\$ 199,066	\$ (179,638)	\$ (179,638)	
32					
33	<u>Application of Funds</u>				
34	Cash Flow from Investing Activities				
35	Capital Expenditures	(643,542)	(98,000)	(98,000)	
36	Dividends Paid	-	-	-	
37	Other	-	-	-	
38	Total From Investing Activities	\$ (643,542)	\$ (98,000)	\$ (98,000)	
39					
40	Net Increase/(Decrease) in Cash	\$ (196,475)	\$ (121,885)	\$ 490	
41					
42	Cash, Beginning of Year	\$ 241,902	\$ 45,426	\$ 45,426	
43	Cash, End of Year	\$ 45,426	\$ (76,458)	\$ 45,917	
44					
45					
46	<u>Supporting Schedules:</u>		<u>Recap Schedules:</u>		
47	E-3		A-5		
48	F-3				
49					

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Projected Construction Requirements

Exhibit: RLJ-DT4
Schedule F-3
Page 1
Witness: Jones

Line

No.		Actual Test Year <u>12/31/2011</u>	Projected		
			Thru <u>12/31/2012</u>	Thru <u>12/31/2013</u>	Thru <u>12/31/2014</u>
3	<u>Property Classification</u>				
4					
5	Intangible Plant	\$ -	\$ -	\$ -	\$ -
6					
7	Source of Supply and Pumping Plant	61,720	-	-	-
8					
9	Water Treatment Plant	1,142,508	-	-	-
10					
11	Transmission and Distribution Plant	292,359	63,000	139,000	83,000
12					
13	General Plant	5,140	35,000	35,000	38,000
14					
15	Total Plant	<u>\$ 1,501,727</u>	<u>\$ 98,000</u>	<u>\$ 174,000</u>	<u>\$ 121,000</u>

16

17

18 Workpapers:

Recap Schedules:

19 VU 2007-2011 Financial Data.xlsx - Capital Budget

F-2 A-4

20

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Assumptions Used in Developing Projection

Exhibit: RLJ-DT4
Schedule F-4
Page 1
Witness: Jones

Line

No.

1
2 No Customer Growth
3
4 No Change in Per Customer Consumption
5
6 Per Test Year Adjustments
7
8 Salaries and Pensions increase by 3.0%
9
10 All other expenses increased by 1.5%
11
12 Supporting Schedules:
13
14

Recap Schedules:

Valley Utilities Water Company, Inc.

Test Year Ended December 31, 2011

Summary of Revenues by Customer Classification - Present and Proposed Rates

Exhibit: RLJ-DT4

Schedule H-1

Page 1

Witness: Jones

Line No.	Customer Classification	Revenues in the Test Year		Proposed Increase	
		Present Rates	Proposed Rates	Amount	%
1					
2	<u>Unmetered Water Revenue</u>				
3	Fire Service	\$ 682	\$ 770	\$ 88	12.90%
4					
5	<u>Metered Water Revenue</u>				
6	Residential	969,595	1,075,925	106,330	10.97%
7	Commercial	71,753	79,147	7,394	10.30%
8	Commercial (Multifamily)	216,458	242,445	25,987	12.01%
9	Commercial (Irrigation)	137,973	155,117	17,144	12.43%
10					
11	Other Water Revenue	58,414	58,414	-	0.00%
12					
13	Total Water Revenues	<u>\$ 1,454,874</u>	<u>\$ 1,611,818</u>	<u>\$ 156,943</u>	10.79%
14					
15	<u>Reconciliation</u>				
16	Bill Count Revenue	\$ 1,454,874			
17					
18	Water Revenues per G.L.	1,447,974			
19	Revenue Adjustment	6,548	(Income Statement Adjustment IS-1)		
20	Adjusted G.L. Revenue	<u>\$ 1,454,522</u>			
21					
22	Unreconciled Difference	\$ 352			
23	Percentage Difference	0.02%			
24					
25					
26	<u>Supporting Schedules:</u>			<u>Recap Schedules:</u>	
27	H-2			A-1	
28					

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Analysis of Revenue by Detailed Class

Exhibit: RLJ-DT4
Schedule H-2
Page 1
Witness: Jones

Line No.	Description	Average Number Customers	Average Consumption	Revenues		Proposed	
				Present Rates	Proposed Rates	Increase Amount	Increase %
1							
2	<u>Unmetered Water Revenue</u>						
3	6" Fire Service	5		\$ 682	\$ 770	\$ 88	12.90%
4							
5	<u>Metered Water Revenue</u>						
6	5/8 x 3/4" Residential	98	7,055	\$ 40,404	\$ 44,798	\$ 4,394	10.88%
7	3/4" Residential	831	9,425	495,875	549,440	53,565	10.80%
8	1" Residential	371	19,463	431,501	479,679	48,178	11.17%
9	1 1/2" Residential	1	25,283	1,815	2,008	193	10.64%
10							
11	5/8 x 3/4" Commercial	7	1,389	\$ 1,683	\$ 1,844	162	9.60%
12	3/4" Commercial	4	5,605	1,988	2,195	207	10.40%
13	1" Commercial	12	34,596	20,810	23,260	2,450	11.77%
14	1 1/2" Commercial	8	32,516	16,576	18,390	1,813	10.94%
15	2" Commercial	9	28,478	23,037	25,436	2,399	10.41%
16	3" Commercial (Construction)	1	42,243	7,658	8,022	364	4.75%
17							
18	1" Commercial (Multifamily)	1	26,832	\$ 1,391	\$ 1,550	160	11.48%
19	2" Commercial (Multifamily)	33	141,164	215,067	240,894	25,827	12.01%
20							
21	3/4" Commercial (Irrigation)	-	-	\$ -	\$ -	-	
22	1" Commercial (Irrigation)	8	38,186	14,059	15,726	1,667	11.86%
23	1 1/2" Commercial (Irrigation)	3	93,833	13,063	14,634	1,571	12.03%
24	2" Commercial (Irrigation)	8	338,181	110,851	124,757	13,906	12.54%
25							
26	Totals:						
27	<u>Unmetered Water Revenue</u>						
28	Fire Service	5		\$ 682	\$ 770	\$ 88	12.90%
29							
30	<u>Metered Water Revenue</u>						
31	Residential	1,301	12,121	\$ 969,595	\$ 1,075,925	106,330	10.97%
32	Commercial	41	24,536	71,753	79,147	7,394	10.30%
33	Commercial (Multifamily)	34	137,801	216,458	242,445	25,987	12.01%
34	Commercial (Irrigation)	19	173,286	137,973	155,117	17,144	12.43%
35	Subtotal Metered	1,395		\$ 1,395,778	\$ 1,552,634	\$ 156,855	11.24%
36							
37	Other Water Revenue			\$ 58,414	\$ 58,414	-	0.00%
38							
39	Total	1,400		\$ 1,454,874	\$ 1,611,818	\$ 156,943	10.79%
40							
41	<u>Supporting Schedules:</u>					<u>Recap Schedules:</u>	
42						H-1	
43							

Supplemental Schedule
Breakdown of Metered Water Revenue at Current Rates
By Rate Components

Line No.	Description	Revenue at Current Rates						
		Base Charge	Arsenic Surcharge	1st Tier	2nd Tier	3rd Tier	Total Revenue	
1								
2	5/8 x 3/4" Residential	\$ 14,533	\$ 6,458	\$ 4,651	\$ 8,419	\$ 6,344	\$	40,404
3	3/4" Residential	185,498	82,377	42,291	101,982	83,727		495,875
4	1" Residential	138,074	61,332	-	154,723	77,372		431,501
5	1 1/2" Residential	744	330	-	740	-		1,815
6								
7	5/8 x 3/4" Commercial	\$ 980	\$ 435	\$ -	\$ 268	\$ -	\$	1,683
8	3/4" Commercial	893	396	-	511	188		1,988
9	1" Commercial	4,464	1,983	-	4,569	9,794		20,810
10	1 1/2" Commercial	5,952	2,644	-	6,718	1,263		16,576
11	2" Commercial	10,692	4,758	-	7,221	366		23,037
12	3" Commercial (Construction)	3,366	1,498	-	-	2,794		7,658
13								
14	1" Commercial (Multifamily)	\$ 372	\$ 165	\$ -	\$ 552	\$ 301	\$	1,391
15	2" Commercial (Multifamily)	39,204	17,448	-	60,735	97,681		215,067
16								
17	3/4" Commercial (Irrigation)	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-
18	1" Commercial (Irrigation)	2,821	1,253	-	3,301	6,684		14,059
19	1 1/2" Commercial (Irrigation)	2,232	991	-	2,755	7,085		13,063
20	2" Commercial (Irrigation)	9,504	4,230	-	17,695	79,421		110,851
21								
22	Total Revenue	\$ 419,328	\$ 186,299	\$ 46,942	\$ 370,189	\$ 373,021	\$	1,395,778
23								
24	Percentage of Total	30.04%	13.35%	3.36%	26.52%	26.72%		100.00%
25								

Supplemental Schedule
Breakdown of Metered Water Revenue at Proposed Rates
By Rate Components

		Revenue at Proposed Rates						
Line No.	Description	Base Charge	Arsenic Surcharge	1st Tier	2nd Tier	3rd Tier	Total Revenue	
1								
2	5/8 x 3/4" Residential	\$ 16,408	\$ 6,458	\$ 5,240	\$ 9,523	\$ 7,170	\$ 44,798	
3	3/4" Residential	209,433	82,377	47,648	115,357	94,625	549,440	
4	1" Residential	155,890	61,332	-	175,015	87,443	479,679	
5	1 1/2" Residential	840	330	-	837	-	2,008	
6								
7	5/8 x 3/4" Commercial	\$ 1,106	\$ 435	\$ -	\$ 303	\$ -	\$ 1,844	
8	3/4" Commercial	1,008	396	-	578	213	2,195	
9	1" Commercial	5,040	1,983	-	5,168	11,069	23,260	
10	1 1/2" Commercial	6,720	2,644	-	7,599	1,427	18,390	
11	2" Commercial	12,096	4,758	-	8,168	413	25,436	
12	3" Commercial (Construction)	3,366	1,498	-	-	3,158	8,022	
13								
14	1" Commercial (Multifamily)	\$ 420	\$ 165	\$ -	\$ 625	\$ 340	\$ 1,550	
15	2" Commercial (Multifamily)	44,352	17,448	-	68,700	110,395	240,894	
16								
17	3/4" Commercial (Irrigation)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
18	1" Commercial (Irrigation)	3,185	1,253	-	3,734	7,554	15,726	
19	1 1/2" Commercial (Irrigation)	2,520	991	-	3,116	8,007	14,634	
20	2" Commercial (Irrigation)	10,752	4,230	-	20,016	89,759	124,757	
21								
22	Total Revenue	\$ 473,136	\$ 186,299	\$ 52,888	\$ 418,738	\$ 421,573	\$ 1,552,634	
23								
24	Percentage of Total	30.47%	12.00%	3.41%	26.97%	27.15%	100.00%	
25								

Line

No.	<u>General Water Service Rates</u>			Base Charge			Volume Charge		
				Present Rate	Proposed Rate	Change	Present Rate	Proposed Rate	Change
	Description	Block							
5	5/8 x 3/4" Residential Meter	Tier 1 3,000 gal.		\$ 12.40	\$ 14.00	\$ 1.60	\$ 1.50	\$ 1.69	\$ 0.19
6		Tier 2 10,000 gal.					\$ 2.44	\$ 2.76	\$ 0.32
7		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
8	3/4" Residential Meter	Tier 1 3,000 gal.		\$ 18.60	\$ 21.00	\$ 2.40	\$ 1.50	\$ 1.69	\$ 0.19
9		Tier 2 10,000 gal.					\$ 2.44	\$ 2.76	\$ 0.32
10		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
11	5/8" x 3/4" Commercial Meter	Tier 2 10,000 gal.		\$ 12.40	\$ 14.00	\$ 1.60	\$ 2.44	\$ 2.76	\$ 0.32
12		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
13	3/4" Commercial Meter	Tier 2 10,000 gal.		\$ 18.60	\$ 21.00	\$ 2.40	\$ 2.44	\$ 2.76	\$ 0.32
14		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
15	1" All Meters	Tier 2 23,000 gal.		\$ 31.00	\$ 35.00	\$ 4.00	\$ 2.44	\$ 2.76	\$ 0.32
16		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
17	1 1/2" All Meters	Tier 2 58,000 gal.		\$ 62.00	\$ 70.00	\$ 8.00	\$ 2.44	\$ 2.76	\$ 0.32
18		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
19	2" All Meters	Tier 2 95,000 gal.		\$ 99.00	\$ 112.00	\$ 13.00	\$ 2.44	\$ 2.76	\$ 0.32
20		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
21	3" All Meters	Tier 2 207,000 gal.		\$ 198.00	\$ 224.00	\$ 26.00	\$ 2.44	\$ 2.76	\$ 0.32
22		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
23	4" All Meters	Tier 2 335,000 gal.		\$ 310.00	\$ 350.00	\$ 40.00	\$ 2.44	\$ 2.76	\$ 0.32
24		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
25	6" All Meters	Tier 2 690,000 gal.		\$ 620.00	\$ 700.00	\$ 80.00	\$ 2.44	\$ 2.76	\$ 0.32
26		Tier 3 999,999,000 gal.					\$ 3.15	\$ 3.56	\$ 0.41
27	Construction Water	Tier 3 999,999,000 gal.		By Meter Size			\$ 3.15	\$ 3.56	\$ 0.41

29 Arsenic Surcharge (Decision No. 71287)

	Present Rate	Proposed Rate
31 <u>Meter Size</u>		
32 5/8 x 3/4" All Meters	\$ 5.51	\$ 5.51
33 3/4" All Meters	\$ 8.26	\$ 8.26
34 1" All Meters	\$ 13.77	\$ 13.77
35 1 1/2" All Meters	\$ 27.54	\$ 27.54
36 2" All Meters	\$ 44.06	\$ 44.06
37 3" All Meters	\$ 88.12	\$ 88.12
38 4" All Meters	nt	\$ 137.75
39 6" All Meters	nt	\$ 275.50

42 Monthly Service Charge for Fire Sprinkler

	Present Rates	Proposed Rates
43		
44	***	***
45 All Meter Sizes		
46		
47 *** Greater of \$10.00 or 2 percent of the general service rate for a similar size meter		
48		
49		

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Changes in Representative Rate Schedules

Exhibit: RLJ-DT4
Schedule H-3
Page 2
Witness: Jones

Line

No.

	Present	Proposed
Other Service Charges	Rates	Rates
1 Establishment	\$ 40.00	\$ 40.00
2 Establishment (After Hours)	\$ 60.00	\$ 60.00
3 Reconnection (Delinquent)	\$ 40.00	\$ 40.00
4 Reconnection (Delinquent and After Hours)	\$ 60.00	\$ 60.00
5 Meter Test (If correct)	\$ 30.00	\$ 30.00
6 Deposit Requirement (Residential)	2 times the average bill	2 times the average bill
7 Deposit Requirement (None Residential Meter)	2-1/2 times the average bill	2-1/2 times the average bill
8 Deposit Interest	6.0%	6.0%
9 Re-Establishment (Within 12 Months)	Number of Months off system times the monthly minimum bill	Number of Months off system times the monthly minimum bill
10 NSF Check	\$ 25.00	\$ 30.00
11 Deferred Payment, Per Month	1.5%	1.5%
12 Meter Re-Read (If correct)	\$ 10.00	\$ 30.00
13 Moving Customer Meter at Customer Request	Cost	Cost
14 Late Charge per month	\$ 10.00	\$ 10.00
15 In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax, per Commission rule A.A.C. 14-2-409(D)(5).		
16 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.		
17 n/t - no tariff		

Service Line and Meter Installation Charges

	Present Rates			Proposed Rates		
	Srv. Line	Meter	Total	Srv. Line	Meter	Total
28 5/8" Meter	\$ 445	\$ 155	\$ 600	\$ 445	\$ 155	\$ 600
29 3/4" Meter	\$ 445	\$ 255	\$ 700	\$ 445	\$ 255	\$ 700
30 1" Meter	\$ 495	\$ 315	\$ 810	\$ 495	\$ 315	\$ 810
31 1 1/2" Meter	\$ 550	\$ 525	\$ 1,075	\$ 550	\$ 525	\$ 1,075
32 2" Turbine Meter	\$ 830	\$ 1,045	\$ 1,875	\$ 830	\$ 1,045	\$ 1,875
33 2" Compound Meter	\$ 830	\$ 1,890	\$ 2,720	\$ 830	\$ 1,890	\$ 2,720
34 3" Turbine Meter	\$ 1,045	\$ 1,670	\$ 2,715	\$ 1,045	\$ 1,670	\$ 2,715
35 3" Compound Meter	\$ 1,165	\$ 2,545	\$ 3,710	\$ 1,165	\$ 2,545	\$ 3,710
36 4" Turbine Meter	\$ 1,490	\$ 2,670	\$ 4,160	\$ 1,490	\$ 2,670	\$ 4,160
37 4" Compound Meter	\$ 1,670	\$ 3,645	\$ 5,315	\$ 1,670	\$ 3,645	\$ 5,315
38 6" Turbine Meter	\$ 2,210	\$ 5,025	\$ 7,235	\$ 2,210	\$ 5,025	\$ 7,235
39 6" Compound Meter	\$ 2,330	\$ 6,920	\$ 9,250	\$ 2,330	\$ 6,920	\$ 9,250
40 8" or Larger Meter	Cost	Cost	Cost	Cost	Cost	Cost

41 All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes, including gross-up taxes for Federal and State taxes, if applicable.

42 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

43
44
45
46
47

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 5/8" x 3/4"
Class: Residential
Rate Code: R1

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 17.91	\$ 19.51	\$ 1.60	8.93%
2	Base Charge: \$ 12.40	1,000	\$ 19.41	\$ 21.20	\$ 1.79	9.22%
3	Arsenic Surcharge: \$ 5.51	2,000	\$ 20.91	\$ 22.89	\$ 1.98	9.47%
4		3,000	\$ 22.41	\$ 24.58	\$ 2.17	9.68%
5	Tier One Rate: \$ 1.50	4,000	\$ 24.85	\$ 27.34	\$ 2.49	10.02%
6	Tier Two Rate: \$ 2.44	5,000	\$ 27.29	\$ 30.10	\$ 2.81	10.30%
7	Tier Three Rate: \$ 3.15	6,000	\$ 29.73	\$ 32.86	\$ 3.13	10.53%
8		7,000	\$ 32.17	\$ 35.62	\$ 3.45	10.72%
9	Tier One Breakover (M gal): 3	8,000	\$ 34.61	\$ 38.38	\$ 3.77	10.89%
10	Tier Two Breakover (M gal): 10	9,000	\$ 37.05	\$ 41.14	\$ 4.09	11.04%
11	Tier Three Breakover (M gal): 999,999	10,000	\$ 39.49	\$ 43.90	\$ 4.41	11.17%
12		12,000	\$ 45.79	\$ 51.02	\$ 5.23	11.42%
13		14,000	\$ 52.09	\$ 58.14	\$ 6.05	11.61%
14	Proposed Rates:	16,000	\$ 58.39	\$ 65.26	\$ 6.87	11.77%
15	Base Charge: \$ 14.00	18,000	\$ 64.69	\$ 72.38	\$ 7.69	11.89%
16	Arsenic Surcharge: \$ 5.51	20,000	\$ 70.99	\$ 79.50	\$ 8.51	11.99%
17		25,000	\$ 86.74	\$ 97.30	\$ 10.56	12.17%
18	Tier One Rate: \$ 1.69	30,000	\$ 102.49	\$ 115.10	\$ 12.61	12.30%
19	Tier Two Rate: \$ 2.76	35,000	\$ 118.24	\$ 132.90	\$ 14.66	12.40%
20	Tier Three Rate: \$ 3.56	40,000	\$ 133.99	\$ 150.70	\$ 16.71	12.47%
21		45,000	\$ 149.74	\$ 168.50	\$ 18.76	12.53%
22	Tier One Breakover (M gal): 3	50,000	\$ 165.49	\$ 186.30	\$ 20.81	12.57%
23	Tier Two Breakover (M gal): 10	60,000	\$ 196.99	\$ 221.90	\$ 24.91	12.65%
24	Tier Three Breakover (M gal): 999,999	70,000	\$ 228.49	\$ 257.50	\$ 29.01	12.70%
25		80,000	\$ 259.99	\$ 293.10	\$ 33.11	12.74%
26		90,000	\$ 291.49	\$ 328.70	\$ 37.21	12.77%
27		100,000	\$ 322.99	\$ 364.30	\$ 41.31	12.79%
28						
29		Average Usage				
30		7,055	\$ 32.30	\$ 35.77	\$ 3.47	10.74%
31		Median Usage				
32		4,546	\$ 26.18	\$ 28.85	\$ 2.67	10.20%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 3/4"
Class: Residential
Rate Code: R2

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 26.86	\$ 29.26	\$ 2.40	8.94%
2	Base Charge:	1,000	\$ 28.36	\$ 30.95	\$ 2.59	9.13%
3	Arsenic Surcharge:	2,000	\$ 29.86	\$ 32.64	\$ 2.78	9.31%
4		3,000	\$ 31.36	\$ 34.33	\$ 2.97	9.47%
5	Tier One Rate:	4,000	\$ 33.80	\$ 37.09	\$ 3.29	9.73%
6	Tier Two Rate:	5,000	\$ 36.24	\$ 39.85	\$ 3.61	9.96%
7	Tier Three Rate:	6,000	\$ 38.68	\$ 42.61	\$ 3.93	10.16%
8		7,000	\$ 41.12	\$ 45.37	\$ 4.25	10.34%
9	Tier One Breakover (M gal):	8,000	\$ 43.56	\$ 48.13	\$ 4.57	10.49%
10	Tier Two Breakover (M gal):	9,000	\$ 46.00	\$ 50.89	\$ 4.89	10.63%
11	Tier Three Breakover (M gal):	10,000	\$ 48.44	\$ 53.65	\$ 5.21	10.76%
12		12,000	\$ 54.74	\$ 60.77	\$ 6.03	11.02%
13		14,000	\$ 61.04	\$ 67.89	\$ 6.85	11.22%
14	Proposed Rates:	16,000	\$ 67.34	\$ 75.01	\$ 7.67	11.39%
15	Base Charge:	18,000	\$ 73.64	\$ 82.13	\$ 8.49	11.53%
16	Arsenic Surcharge:	20,000	\$ 79.94	\$ 89.25	\$ 9.31	11.65%
17		25,000	\$ 95.69	\$ 107.05	\$ 11.36	11.87%
18	Tier One Rate:	30,000	\$ 111.44	\$ 124.85	\$ 13.41	12.03%
19	Tier Two Rate:	35,000	\$ 127.19	\$ 142.65	\$ 15.46	12.16%
20	Tier Three Rate:	40,000	\$ 142.94	\$ 160.45	\$ 17.51	12.25%
21		45,000	\$ 158.69	\$ 178.25	\$ 19.56	12.33%
22	Tier One Breakover (M gal):	50,000	\$ 174.44	\$ 196.05	\$ 21.61	12.39%
23	Tier Two Breakover (M gal):	60,000	\$ 205.94	\$ 231.65	\$ 25.71	12.48%
24	Tier Three Breakover (M gal):	70,000	\$ 237.44	\$ 267.25	\$ 29.81	12.55%
25		80,000	\$ 268.94	\$ 302.85	\$ 33.91	12.61%
26		90,000	\$ 300.44	\$ 338.45	\$ 38.01	12.65%
27		100,000	\$ 331.94	\$ 374.05	\$ 42.11	12.69%
28						
29		Average Usage				
30		9,425	\$ 47.04	\$ 52.06	\$ 5.02	10.67%
31		Median Usage				
32		7,013	\$ 41.15	\$ 45.41	\$ 4.26	10.35%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 1"
Class: Residential
Rate Code: R3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<u>Present Rates:</u>	-	\$ 44.77	\$ 48.77	\$ 4.00	8.93%
2	Base Charge:	1,000	\$ 47.21	\$ 51.53	\$ 4.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 49.65	\$ 54.29	\$ 4.64	9.35%
4		3,000	\$ 52.09	\$ 57.05	\$ 4.96	9.52%
5	Tier One Rate:	4,000	\$ 54.53	\$ 59.81	\$ 5.28	9.68%
6	Tier Two Rate:	5,000	\$ 56.97	\$ 62.57	\$ 5.60	9.83%
7	Tier Three Rate:	6,000	\$ 59.41	\$ 65.33	\$ 5.92	9.96%
8		7,000	\$ 61.85	\$ 68.09	\$ 6.24	10.09%
9	Tier One Breakover (M gal):	-	\$ 64.29	\$ 70.85	\$ 6.56	10.20%
10	Tier Two Breakover (M gal):	23	\$ 66.73	\$ 73.61	\$ 6.88	10.31%
11	Tier Three Breakover (M gal):	999,999	\$ 69.17	\$ 76.37	\$ 7.20	10.41%
12		12,000	\$ 74.05	\$ 81.89	\$ 7.84	10.59%
13		14,000	\$ 78.93	\$ 87.41	\$ 8.48	10.74%
14	<u>Proposed Rates:</u>	16,000	\$ 83.81	\$ 92.93	\$ 9.12	10.88%
15	Base Charge:	18,000	\$ 88.69	\$ 98.45	\$ 9.76	11.00%
16	Arsenic Surcharge:	20,000	\$ 93.57	\$ 103.97	\$ 10.40	11.11%
17		25,000	\$ 107.19	\$ 119.37	\$ 12.18	11.36%
18	Tier One Rate:	30,000	\$ 122.94	\$ 137.17	\$ 14.23	11.57%
19	Tier Two Rate:	35,000	\$ 138.69	\$ 154.97	\$ 16.28	11.74%
20	Tier Three Rate:	40,000	\$ 154.44	\$ 172.77	\$ 18.33	11.87%
21		45,000	\$ 170.19	\$ 190.57	\$ 20.38	11.97%
22	Tier One Breakover (M gal):	-	\$ 185.94	\$ 208.37	\$ 22.43	12.06%
23	Tier Two Breakover (M gal):	23	\$ 217.44	\$ 243.97	\$ 26.53	12.20%
24	Tier Three Breakover (M gal):	999,999	\$ 248.94	\$ 279.57	\$ 30.63	12.30%
25		80,000	\$ 280.44	\$ 315.17	\$ 34.73	12.38%
26		90,000	\$ 311.94	\$ 350.77	\$ 38.83	12.45%
27		100,000	\$ 343.44	\$ 386.37	\$ 42.93	12.50%
28						
29	Average Usage	19,463	\$ 92.26	\$ 102.49	\$ 10.23	11.09%
30	Median Usage	13,096	\$ 76.72	\$ 84.91	\$ 8.19	10.68%
31						
32						
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Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 1 1/2"
Class: Residential
Rate Code: R4

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 89.54	\$ 97.54	\$ 8.00	8.93%
2	Base Charge:	1,000	\$ 91.98	\$ 100.30	\$ 8.32	9.05%
3	Arsenic Surcharge:	2,000	\$ 94.42	\$ 103.06	\$ 8.64	9.15%
4		3,000	\$ 96.86	\$ 105.82	\$ 8.96	9.25%
5	Tier One Rate:	4,000	\$ 99.30	\$ 108.58	\$ 9.28	9.35%
6	Tier Two Rate:	5,000	\$ 101.74	\$ 111.34	\$ 9.60	9.44%
7	Tier Three Rate:	6,000	\$ 104.18	\$ 114.10	\$ 9.92	9.52%
8		7,000	\$ 106.62	\$ 116.86	\$ 10.24	9.60%
9	Tier One Breakover (M gal):	8,000	\$ 109.06	\$ 119.62	\$ 10.56	9.68%
10	Tier Two Breakover (M gal):	9,000	\$ 111.50	\$ 122.38	\$ 10.88	9.76%
11	Tier Three Breakover (M gal):	10,000	\$ 113.94	\$ 125.14	\$ 11.20	9.83%
12		12,000	\$ 118.82	\$ 130.66	\$ 11.84	9.96%
13		14,000	\$ 123.70	\$ 136.18	\$ 12.48	10.09%
14	Proposed Rates:	16,000	\$ 128.58	\$ 141.70	\$ 13.12	10.20%
15	Base Charge:	18,000	\$ 133.46	\$ 147.22	\$ 13.76	10.31%
16	Arsenic Surcharge:	20,000	\$ 138.34	\$ 152.74	\$ 14.40	10.41%
17		25,000	\$ 150.54	\$ 166.54	\$ 16.00	10.63%
18	Tier One Rate:	30,000	\$ 162.74	\$ 180.34	\$ 17.60	10.81%
19	Tier Two Rate:	35,000	\$ 174.94	\$ 194.14	\$ 19.20	10.98%
20	Tier Three Rate:	40,000	\$ 187.14	\$ 207.94	\$ 20.80	11.11%
21		45,000	\$ 199.34	\$ 221.74	\$ 22.40	11.24%
22	Tier One Breakover (M gal):	50,000	\$ 211.54	\$ 235.54	\$ 24.00	11.35%
23	Tier Two Breakover (M gal):	60,000	\$ 237.36	\$ 264.74	\$ 27.38	11.54%
24	Tier Three Breakover (M gal):	70,000	\$ 268.86	\$ 300.34	\$ 31.48	11.71%
25		80,000	\$ 300.36	\$ 335.94	\$ 35.58	11.85%
26		90,000	\$ 331.86	\$ 371.54	\$ 39.68	11.96%
27		100,000	\$ 363.36	\$ 407.14	\$ 43.78	12.05%
28						
29	Average Usage	25,283	\$ 151.23	\$ 167.32	\$ 16.09	10.64%
30	Median Usage	24,800	\$ 150.05	\$ 165.99	\$ 15.94	10.62%
31						
32						
33						
34						

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLJ-DT4
 Schedule H-4
 Witness: Jones

Meter Size: 1"
 Class: Commercial (Multifamily)
 Rate Code: M3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 44.77	\$ 48.77	\$ 4.00	8.93%
2	Base Charge:	1,000	\$ 47.21	\$ 51.53	\$ 4.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 49.65	\$ 54.29	\$ 4.64	9.35%
4		3,000	\$ 52.09	\$ 57.05	\$ 4.96	9.52%
5	Tier One Rate:	4,000	\$ 54.53	\$ 59.81	\$ 5.28	9.68%
6	Tier Two Rate:	5,000	\$ 56.97	\$ 62.57	\$ 5.60	9.83%
7	Tier Three Rate:	6,000	\$ 59.41	\$ 65.33	\$ 5.92	9.96%
8		7,000	\$ 61.85	\$ 68.09	\$ 6.24	10.09%
9	Tier One Breakover (M gal):	-	\$ 64.29	\$ 70.85	\$ 6.56	10.20%
10	Tier Two Breakover (M gal):	23	\$ 66.73	\$ 73.61	\$ 6.88	10.31%
11	Tier Three Breakover (M gal):	999,999	\$ 69.17	\$ 76.37	\$ 7.20	10.41%
12		12,000	\$ 74.05	\$ 81.89	\$ 7.84	10.59%
13		14,000	\$ 78.93	\$ 87.41	\$ 8.48	10.74%
14	Proposed Rates:	16,000	\$ 83.81	\$ 92.93	\$ 9.12	10.88%
15	Base Charge:	18,000	\$ 88.69	\$ 98.45	\$ 9.76	11.00%
16	Arsenic Surcharge:	20,000	\$ 93.57	\$ 103.97	\$ 10.40	11.11%
17		25,000	\$ 107.19	\$ 119.37	\$ 12.18	11.36%
18	Tier One Rate:	30,000	\$ 122.94	\$ 137.17	\$ 14.23	11.57%
19	Tier Two Rate:	35,000	\$ 138.69	\$ 154.97	\$ 16.28	11.74%
20	Tier Three Rate:	40,000	\$ 154.44	\$ 172.77	\$ 18.33	11.87%
21		45,000	\$ 170.19	\$ 190.57	\$ 20.38	11.97%
22	Tier One Breakover (M gal):	-	\$ 185.94	\$ 208.37	\$ 22.43	12.06%
23	Tier Two Breakover (M gal):	23	\$ 217.44	\$ 243.97	\$ 26.53	12.20%
24	Tier Three Breakover (M gal):	999,999	\$ 248.94	\$ 279.57	\$ 30.63	12.30%
25		80,000	\$ 280.44	\$ 315.17	\$ 34.73	12.38%
26		90,000	\$ 311.94	\$ 350.77	\$ 38.83	12.45%
27		100,000	\$ 343.44	\$ 386.37	\$ 42.93	12.50%
28						
29	Average Usage	26,832	\$ 112.96	\$ 125.89	\$ 12.93	11.45%
30	Median Usage	19,010	\$ 91.15	\$ 101.24	\$ 10.09	11.07%
31						
32						
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 2"
Class: Commercial (Multifamily)
Rate Code: M5

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 143.06	\$ 156.06	\$ 13.00	9.09%
2	Base Charge:	1,000	\$ 145.50	\$ 158.82	\$ 13.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 147.94	\$ 161.58	\$ 13.64	9.22%
4		3,000	\$ 150.38	\$ 164.34	\$ 13.96	9.28%
5	Tier One Rate:	4,000	\$ 152.82	\$ 167.10	\$ 14.28	9.34%
6	Tier Two Rate:	5,000	\$ 155.26	\$ 169.86	\$ 14.60	9.40%
7	Tier Three Rate:	6,000	\$ 157.70	\$ 172.62	\$ 14.92	9.46%
8		7,000	\$ 160.14	\$ 175.38	\$ 15.24	9.52%
9	Tier One Breakover (M gal):	8,000	\$ 162.58	\$ 178.14	\$ 15.56	9.57%
10	Tier Two Breakover (M gal):	9,000	\$ 165.02	\$ 180.90	\$ 15.88	9.62%
11	Tier Three Breakover (M gal):	10,000	\$ 167.46	\$ 183.66	\$ 16.20	9.67%
12		12,000	\$ 172.34	\$ 189.18	\$ 16.84	9.77%
13		14,000	\$ 177.22	\$ 194.70	\$ 17.48	9.86%
14	Proposed Rates:	16,000	\$ 182.10	\$ 200.22	\$ 18.12	9.95%
15	Base Charge:	18,000	\$ 186.98	\$ 205.74	\$ 18.76	10.03%
16	Arsenic Surcharge:	20,000	\$ 191.86	\$ 211.26	\$ 19.40	10.11%
17		25,000	\$ 204.06	\$ 225.06	\$ 21.00	10.29%
18	Tier One Rate:	30,000	\$ 216.26	\$ 238.86	\$ 22.60	10.45%
19	Tier Two Rate:	35,000	\$ 228.46	\$ 252.66	\$ 24.20	10.59%
20	Tier Three Rate:	40,000	\$ 240.66	\$ 266.46	\$ 25.80	10.72%
21		45,000	\$ 252.86	\$ 280.26	\$ 27.40	10.84%
22	Tier One Breakover (M gal):	50,000	\$ 265.06	\$ 294.06	\$ 29.00	10.94%
23	Tier Two Breakover (M gal):	60,000	\$ 289.46	\$ 321.66	\$ 32.20	11.12%
24	Tier Three Breakover (M gal):	70,000	\$ 313.86	\$ 349.26	\$ 35.40	11.28%
25		80,000	\$ 338.26	\$ 376.86	\$ 38.60	11.41%
26		90,000	\$ 362.66	\$ 404.46	\$ 41.80	11.53%
27		100,000	\$ 390.61	\$ 436.06	\$ 45.45	11.64%
28						
29		Average Usage				
30		141,164	\$ 520.28	\$ 582.60	\$ 62.32	11.98%
31		Median Usage				
32		65,611	\$ 303.15	\$ 337.15	\$ 34.00	11.22%
33						
34						

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RLJ-DT4
 Schedule H-4
 Witness: Jones

Meter Size: 5/8" x 3/4"
 Class: Commercial
 Rate Code: C1

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 17.91	\$ 19.51	\$ 1.60	8.93%
2	Base Charge: \$ 12.40	1,000	\$ 20.35	\$ 22.27	\$ 1.92	9.43%
3	Arsenic Surcharge: \$ 5.51	2,000	\$ 22.79	\$ 25.03	\$ 2.24	9.83%
4		3,000	\$ 25.23	\$ 27.79	\$ 2.56	10.15%
5	Tier One Rate: \$ -	4,000	\$ 27.67	\$ 30.55	\$ 2.88	10.41%
6	Tier Two Rate: \$ 2.44	5,000	\$ 30.11	\$ 33.31	\$ 3.20	10.63%
7	Tier Three Rate: \$ 3.15	6,000	\$ 32.55	\$ 36.07	\$ 3.52	10.81%
8		7,000	\$ 34.99	\$ 38.83	\$ 3.84	10.97%
9	Tier One Breakover (M gal): -	8,000	\$ 37.43	\$ 41.59	\$ 4.16	11.11%
10	Tier Two Breakover (M gal): 10	9,000	\$ 39.87	\$ 44.35	\$ 4.48	11.24%
11	Tier Three Breakover (M gal): 999,999	10,000	\$ 42.31	\$ 47.11	\$ 4.80	11.34%
12		12,000	\$ 48.61	\$ 54.23	\$ 5.62	11.56%
13		14,000	\$ 54.91	\$ 61.35	\$ 6.44	11.73%
14	Proposed Rates:	16,000	\$ 61.21	\$ 68.47	\$ 7.26	11.86%
15	Base Charge: \$ 14.00	18,000	\$ 67.51	\$ 75.59	\$ 8.08	11.97%
16	Arsenic Surcharge: \$ 5.51	20,000	\$ 73.81	\$ 82.71	\$ 8.90	12.06%
17		25,000	\$ 89.56	\$ 100.51	\$ 10.95	12.23%
18	Tier One Rate: \$ -	30,000	\$ 105.31	\$ 118.31	\$ 13.00	12.34%
19	Tier Two Rate: \$ 2.76	35,000	\$ 121.06	\$ 136.11	\$ 15.05	12.43%
20	Tier Three Rate: \$ 3.56	40,000	\$ 136.81	\$ 153.91	\$ 17.10	12.50%
21		45,000	\$ 152.56	\$ 171.71	\$ 19.15	12.55%
22	Tier One Breakover (M gal): -	50,000	\$ 168.31	\$ 189.51	\$ 21.20	12.60%
23	Tier Two Breakover (M gal): 10	60,000	\$ 199.81	\$ 225.11	\$ 25.30	12.66%
24	Tier Three Breakover (M gal): 999,999	70,000	\$ 231.31	\$ 260.71	\$ 29.40	12.71%
25		80,000	\$ 262.81	\$ 296.31	\$ 33.50	12.75%
26		90,000	\$ 294.31	\$ 331.91	\$ 37.60	12.78%
27		100,000	\$ 325.81	\$ 367.51	\$ 41.70	12.80%
28						
29		Average Usage				
30		1,389	\$ 21.30	\$ 23.34	\$ 2.04	9.58%
31		Median Usage				
32		807	\$ 19.88	\$ 21.74	\$ 1.86	9.36%
33						
34						

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Typical Bill Analysis

Exhibit: RU-DT4
 Schedule H-4
 Witness: Jones

Meter Size: 3/4"
 Class: Commercial
 Rate Code: C2

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 26.86	\$ 29.26	\$ 2.40	8.94%
2	Base Charge:	1,000	\$ 29.30	\$ 32.02	\$ 2.72	9.28%
3	Arsenic Surcharge:	2,000	\$ 31.74	\$ 34.78	\$ 3.04	9.58%
4		3,000	\$ 34.18	\$ 37.54	\$ 3.36	9.83%
5	Tier One Rate:	4,000	\$ 36.62	\$ 40.30	\$ 3.68	10.05%
6	Tier Two Rate:	5,000	\$ 39.06	\$ 43.06	\$ 4.00	10.24%
7	Tier Three Rate:	6,000	\$ 41.50	\$ 45.82	\$ 4.32	10.41%
8		7,000	\$ 43.94	\$ 48.58	\$ 4.64	10.56%
9	Tier One Breakover (M gal):	-	\$ 46.38	\$ 51.34	\$ 4.96	10.69%
10	Tier Two Breakover (M gal):	10	\$ 48.82	\$ 54.10	\$ 5.28	10.82%
11	Tier Three Breakover (M gal):	999,999	\$ 51.26	\$ 56.86	\$ 5.60	10.92%
12		12,000	\$ 57.56	\$ 63.98	\$ 6.42	11.15%
13		14,000	\$ 63.86	\$ 71.10	\$ 7.24	11.34%
14	Proposed Rates:	16,000	\$ 70.16	\$ 78.22	\$ 8.06	11.49%
15	Base Charge:	\$ 21.00	\$ 76.46	\$ 85.34	\$ 8.88	11.61%
16	Arsenic Surcharge:	\$ 8.26	\$ 82.76	\$ 92.46	\$ 9.70	11.72%
17			\$ 98.51	\$ 110.26	\$ 11.75	11.93%
18	Tier One Rate:	\$ -	\$ 114.26	\$ 128.06	\$ 13.80	12.08%
19	Tier Two Rate:	\$ 2.76	\$ 130.01	\$ 145.86	\$ 15.85	12.19%
20	Tier Three Rate:	\$ 3.56	\$ 145.76	\$ 163.66	\$ 17.90	12.28%
21			\$ 161.51	\$ 181.46	\$ 19.95	12.35%
22	Tier One Breakover (M gal):	-	\$ 177.26	\$ 199.26	\$ 22.00	12.41%
23	Tier Two Breakover (M gal):	10	\$ 208.76	\$ 234.86	\$ 26.10	12.50%
24	Tier Three Breakover (M gal):	999,999	\$ 240.26	\$ 270.46	\$ 30.20	12.57%
25			\$ 271.76	\$ 306.06	\$ 34.30	12.62%
26			\$ 303.26	\$ 341.66	\$ 38.40	12.66%
27			\$ 334.76	\$ 377.26	\$ 42.50	12.70%
28						
29	Average Usage	5,605	\$ 40.54	\$ 44.73	\$ 4.19	10.34%
30	Median Usage	3,017	\$ 34.22	\$ 37.59	\$ 3.37	9.85%
31						
32						
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 1"
Class: Commercial
Rate Code: C3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 44.77	\$ 48.77	\$ 4.00	8.93%
2	Base Charge:	1,000	\$ 47.21	\$ 51.53	\$ 4.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 49.65	\$ 54.29	\$ 4.64	9.35%
4		3,000	\$ 52.09	\$ 57.05	\$ 4.96	9.52%
5	Tier One Rate:	4,000	\$ 54.53	\$ 59.81	\$ 5.28	9.68%
6	Tier Two Rate:	5,000	\$ 56.97	\$ 62.57	\$ 5.60	9.83%
7	Tier Three Rate:	6,000	\$ 59.41	\$ 65.33	\$ 5.92	9.96%
8		7,000	\$ 61.85	\$ 68.09	\$ 6.24	10.09%
9	Tier One Breakover (M gal):	-	\$ 64.29	\$ 70.85	\$ 6.56	10.20%
10	Tier Two Breakover (M gal):	23	\$ 66.73	\$ 73.61	\$ 6.88	10.31%
11	Tier Three Breakover (M gal):	999,999	\$ 69.17	\$ 76.37	\$ 7.20	10.41%
12		12,000	\$ 74.05	\$ 81.89	\$ 7.84	10.59%
13		14,000	\$ 78.93	\$ 87.41	\$ 8.48	10.74%
14	Proposed Rates:	16,000	\$ 83.81	\$ 92.93	\$ 9.12	10.88%
15	Base Charge:	18,000	\$ 88.69	\$ 98.45	\$ 9.76	11.00%
16	Arsenic Surcharge:	20,000	\$ 93.57	\$ 103.97	\$ 10.40	11.11%
17		25,000	\$ 107.19	\$ 119.37	\$ 12.18	11.36%
18	Tier One Rate:	30,000	\$ 122.94	\$ 137.17	\$ 14.23	11.57%
19	Tier Two Rate:	35,000	\$ 138.69	\$ 154.97	\$ 16.28	11.74%
20	Tier Three Rate:	40,000	\$ 154.44	\$ 172.77	\$ 18.33	11.87%
21		45,000	\$ 170.19	\$ 190.57	\$ 20.38	11.97%
22	Tier One Breakover (M gal):	-	\$ 185.94	\$ 208.37	\$ 22.43	12.06%
23	Tier Two Breakover (M gal):	23	\$ 217.44	\$ 243.97	\$ 26.53	12.20%
24	Tier Three Breakover (M gal):	999,999	\$ 248.94	\$ 279.57	\$ 30.63	12.30%
25		80,000	\$ 280.44	\$ 315.17	\$ 34.73	12.38%
26		90,000	\$ 311.94	\$ 350.77	\$ 38.83	12.45%
27		100,000	\$ 343.44	\$ 386.37	\$ 42.93	12.50%
28						
29		Average Usage				
30		34,596	\$ 137.42	\$ 153.53	\$ 16.11	11.72%
31		Median Usage				
32		15,113	\$ 81.65	\$ 90.48	\$ 8.83	10.81%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial
Rate Code: C4

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 89.54	\$ 97.54	\$ 8.00	8.93%
2	Base Charge:	1,000	\$ 91.98	\$ 100.30	\$ 8.32	9.05%
3	Arsenic Surcharge:	2,000	\$ 94.42	\$ 103.06	\$ 8.64	9.15%
4		3,000	\$ 96.86	\$ 105.82	\$ 8.96	9.25%
5	Tier One Rate:	4,000	\$ 99.30	\$ 108.58	\$ 9.28	9.35%
6	Tier Two Rate:	5,000	\$ 101.74	\$ 111.34	\$ 9.60	9.44%
7	Tier Three Rate:	6,000	\$ 104.18	\$ 114.10	\$ 9.92	9.52%
8		7,000	\$ 106.62	\$ 116.86	\$ 10.24	9.60%
9	Tier One Breakover (M gal):	-	\$ 109.06	\$ 119.62	\$ 10.56	9.68%
10	Tier Two Breakover (M gal):	58	\$ 111.50	\$ 122.38	\$ 10.88	9.76%
11	Tier Three Breakover (M gal):	999,999	\$ 113.94	\$ 125.14	\$ 11.20	9.83%
12		12,000	\$ 118.82	\$ 130.66	\$ 11.84	9.96%
13		14,000	\$ 123.70	\$ 136.18	\$ 12.48	10.09%
14	Proposed Rates:	16,000	\$ 128.58	\$ 141.70	\$ 13.12	10.20%
15	Base Charge:	18,000	\$ 133.46	\$ 147.22	\$ 13.76	10.31%
16	Arsenic Surcharge:	20,000	\$ 138.34	\$ 152.74	\$ 14.40	10.41%
17		25,000	\$ 150.54	\$ 166.54	\$ 16.00	10.63%
18	Tier One Rate:	30,000	\$ 162.74	\$ 180.34	\$ 17.60	10.81%
19	Tier Two Rate:	35,000	\$ 174.94	\$ 194.14	\$ 19.20	10.98%
20	Tier Three Rate:	40,000	\$ 187.14	\$ 207.94	\$ 20.80	11.11%
21		45,000	\$ 199.34	\$ 221.74	\$ 22.40	11.24%
22	Tier One Breakover (M gal):	-	\$ 211.54	\$ 235.54	\$ 24.00	11.35%
23	Tier Two Breakover (M gal):	58	\$ 237.36	\$ 264.74	\$ 27.38	11.54%
24	Tier Three Breakover (M gal):	999,999	\$ 268.86	\$ 300.34	\$ 31.48	11.71%
25		80,000	\$ 300.36	\$ 335.94	\$ 35.58	11.85%
26		90,000	\$ 331.86	\$ 371.54	\$ 39.68	11.96%
27		100,000	\$ 363.36	\$ 407.14	\$ 43.78	12.05%
28						
29		Average Usage				
30		32,516	\$ 168.88	\$ 187.28	\$ 18.40	10.90%
31		Median Usage				
32		22,372	\$ 144.13	\$ 159.29	\$ 15.16	10.52%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLI-DT4
Schedule H-4
Witness: Jones

Meter Size: 2"
Class: Commercial
Rate Code: C5

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 143.06	\$ 156.06	\$ 13.00	9.09%
2	Base Charge:	1,000	\$ 145.50	\$ 158.82	\$ 13.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 147.94	\$ 161.58	\$ 13.64	9.22%
4		3,000	\$ 150.38	\$ 164.34	\$ 13.96	9.28%
5	Tier One Rate:	4,000	\$ 152.82	\$ 167.10	\$ 14.28	9.34%
6	Tier Two Rate:	5,000	\$ 155.26	\$ 169.86	\$ 14.60	9.40%
7	Tier Three Rate:	6,000	\$ 157.70	\$ 172.62	\$ 14.92	9.46%
8		7,000	\$ 160.14	\$ 175.38	\$ 15.24	9.52%
9	Tier One Breakover (M gal):	8,000	\$ 162.58	\$ 178.14	\$ 15.56	9.57%
10	Tier Two Breakover (M gal):	9,000	\$ 165.02	\$ 180.90	\$ 15.88	9.62%
11	Tier Three Breakover (M gal):	10,000	\$ 167.46	\$ 183.66	\$ 16.20	9.67%
12		12,000	\$ 172.34	\$ 189.18	\$ 16.84	9.77%
13		14,000	\$ 177.22	\$ 194.70	\$ 17.48	9.86%
14	Proposed Rates:	16,000	\$ 182.10	\$ 200.22	\$ 18.12	9.95%
15	Base Charge:	18,000	\$ 186.98	\$ 205.74	\$ 18.76	10.03%
16	Arsenic Surcharge:	20,000	\$ 191.86	\$ 211.26	\$ 19.40	10.11%
17		25,000	\$ 204.06	\$ 225.06	\$ 21.00	10.29%
18	Tier One Rate:	30,000	\$ 216.26	\$ 238.86	\$ 22.60	10.45%
19	Tier Two Rate:	35,000	\$ 228.46	\$ 252.66	\$ 24.20	10.59%
20	Tier Three Rate:	40,000	\$ 240.66	\$ 266.46	\$ 25.80	10.72%
21		45,000	\$ 252.86	\$ 280.26	\$ 27.40	10.84%
22	Tier One Breakover (M gal):	50,000	\$ 265.06	\$ 294.06	\$ 29.00	10.94%
23	Tier Two Breakover (M gal):	60,000	\$ 289.46	\$ 321.66	\$ 32.20	11.12%
24	Tier Three Breakover (M gal):	70,000	\$ 313.86	\$ 349.26	\$ 35.40	11.28%
25		80,000	\$ 338.26	\$ 376.86	\$ 38.60	11.41%
26		90,000	\$ 362.66	\$ 404.46	\$ 41.80	11.53%
27		100,000	\$ 390.61	\$ 436.06	\$ 45.45	11.64%
28						
29	Average Usage	28,478	\$ 212.55	\$ 234.66	\$ 22.11	10.40%
30						
31	Median Usage	20,100	\$ 192.10	\$ 211.54	\$ 19.44	10.12%
32						
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 3"
Class: Commercial (Construction)
Rate Code: C6

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 286.12	\$ 286.12	\$ -	0.00%
2	Base Charge:	1,000	\$ 289.27	\$ 289.68	\$ 0.41	0.14%
3	Arsenic Surcharge:	2,000	\$ 292.42	\$ 293.24	\$ 0.82	0.28%
4		3,000	\$ 295.57	\$ 296.80	\$ 1.23	0.42%
5	Tier One Rate:	4,000	\$ 298.72	\$ 300.36	\$ 1.64	0.55%
6	Tier Two Rate:	5,000	\$ 301.87	\$ 303.92	\$ 2.05	0.68%
7	Tier Three Rate:	6,000	\$ 305.02	\$ 307.48	\$ 2.46	0.81%
8		7,000	\$ 308.17	\$ 311.04	\$ 2.87	0.93%
9	Tier One Breakover (M gal):	8,000	\$ 311.32	\$ 314.60	\$ 3.28	1.05%
10	Tier Two Breakover (M gal):	9,000	\$ 314.47	\$ 318.16	\$ 3.69	1.17%
11	Tier Three Breakover (M gal):	10,000	\$ 317.62	\$ 321.72	\$ 4.10	1.29%
12		12,000	\$ 323.92	\$ 328.84	\$ 4.92	1.52%
13		14,000	\$ 330.22	\$ 335.96	\$ 5.74	1.74%
14	Proposed Rates:	16,000	\$ 336.52	\$ 343.08	\$ 6.56	1.95%
15	Base Charge:	18,000	\$ 342.82	\$ 350.20	\$ 7.38	2.15%
16	Arsenic Surcharge:	20,000	\$ 349.12	\$ 357.32	\$ 8.20	2.35%
17		25,000	\$ 364.87	\$ 375.12	\$ 10.25	2.81%
18	Tier One Rate:	30,000	\$ 380.62	\$ 392.92	\$ 12.30	3.23%
19	Tier Two Rate:	35,000	\$ 396.37	\$ 410.72	\$ 14.35	3.62%
20	Tier Three Rate:	40,000	\$ 412.12	\$ 428.52	\$ 16.40	3.98%
21		45,000	\$ 427.87	\$ 446.32	\$ 18.45	4.31%
22	Tier One Breakover (M gal):	50,000	\$ 443.62	\$ 464.12	\$ 20.50	4.62%
23	Tier Two Breakover (M gal):	60,000	\$ 475.12	\$ 499.72	\$ 24.60	5.18%
24	Tier Three Breakover (M gal):	70,000	\$ 506.62	\$ 535.32	\$ 28.70	5.66%
25		80,000	\$ 538.12	\$ 570.92	\$ 32.80	6.10%
26		90,000	\$ 569.62	\$ 606.52	\$ 36.90	6.48%
27		100,000	\$ 601.12	\$ 642.12	\$ 41.00	6.82%
28						
29		Average Usage				
30		42,243	\$ 419.19	\$ 436.51	\$ 17.32	4.13%
31		Median Usage				
32		-	\$ 286.12	\$ 286.12	\$ -	0.00%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 3/4"
Class: Commercial (Irrigation)
Rate Code: I2

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 26.86	\$ 29.26	\$ 2.40	8.94%
2	Base Charge:	1,000	\$ 29.30	\$ 32.02	\$ 2.72	9.28%
3	Arsenic Surcharge:	2,000	\$ 31.74	\$ 34.78	\$ 3.04	9.58%
4		3,000	\$ 34.18	\$ 37.54	\$ 3.36	9.83%
5	Tier One Rate:	4,000	\$ 36.62	\$ 40.30	\$ 3.68	10.05%
6	Tier Two Rate:	5,000	\$ 39.06	\$ 43.06	\$ 4.00	10.24%
7	Tier Three Rate:	6,000	\$ 41.50	\$ 45.82	\$ 4.32	10.41%
8		7,000	\$ 43.94	\$ 48.58	\$ 4.64	10.56%
9	Tier One Breakover (M gal):	-	\$ 46.38	\$ 51.34	\$ 4.96	10.69%
10	Tier Two Breakover (M gal):	10	\$ 48.82	\$ 54.10	\$ 5.28	10.82%
11	Tier Three Breakover (M gal):	999,999	\$ 51.26	\$ 56.86	\$ 5.60	10.92%
12		12,000	\$ 57.56	\$ 63.98	\$ 6.42	11.15%
13		14,000	\$ 63.86	\$ 71.10	\$ 7.24	11.34%
14	Proposed Rates:	16,000	\$ 70.16	\$ 78.22	\$ 8.06	11.49%
15	Base Charge:	18,000	\$ 76.46	\$ 85.34	\$ 8.88	11.61%
16	Arsenic Surcharge:	20,000	\$ 82.76	\$ 92.46	\$ 9.70	11.72%
17		25,000	\$ 98.51	\$ 110.26	\$ 11.75	11.93%
18	Tier One Rate:	30,000	\$ 114.26	\$ 128.06	\$ 13.80	12.08%
19	Tier Two Rate:	35,000	\$ 130.01	\$ 145.86	\$ 15.85	12.19%
20	Tier Three Rate:	40,000	\$ 145.76	\$ 163.66	\$ 17.90	12.28%
21		45,000	\$ 161.51	\$ 181.46	\$ 19.95	12.35%
22	Tier One Breakover (M gal):	-	\$ 177.26	\$ 199.26	\$ 22.00	12.41%
23	Tier Two Breakover (M gal):	10	\$ 208.76	\$ 234.86	\$ 26.10	12.50%
24	Tier Three Breakover (M gal):	999,999	\$ 240.26	\$ 270.46	\$ 30.20	12.57%
25		80,000	\$ 271.76	\$ 306.06	\$ 34.30	12.62%
26		90,000	\$ 303.26	\$ 341.66	\$ 38.40	12.66%
27		100,000	\$ 334.76	\$ 377.26	\$ 42.50	12.70%
28						
29		Average Usage				
30		-	\$ 26.86	\$ 29.26	\$ 2.40	8.94%
31		Median Usage				
32		-	\$ 26.86	\$ 29.26	\$ 2.40	8.94%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 1"
Class: Commercial (Irrigation)
Rate Code: I3

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 44.77	\$ 48.77	\$ 4.00	8.93%
2	Base Charge:	1,000	\$ 47.21	\$ 51.53	\$ 4.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 49.65	\$ 54.29	\$ 4.64	9.35%
4		3,000	\$ 52.09	\$ 57.05	\$ 4.96	9.52%
5	Tier One Rate:	4,000	\$ 54.53	\$ 59.81	\$ 5.28	9.68%
6	Tier Two Rate:	5,000	\$ 56.97	\$ 62.57	\$ 5.60	9.83%
7	Tier Three Rate:	6,000	\$ 59.41	\$ 65.33	\$ 5.92	9.96%
8		7,000	\$ 61.85	\$ 68.09	\$ 6.24	10.09%
9	Tier One Breakover (M gal):	-	\$ 64.29	\$ 70.85	\$ 6.56	10.20%
10	Tier Two Breakover (M gal):	23	\$ 66.73	\$ 73.61	\$ 6.88	10.31%
11	Tier Three Breakover (M gal):	999,999	\$ 69.17	\$ 76.37	\$ 7.20	10.41%
12		12,000	\$ 74.05	\$ 81.89	\$ 7.84	10.59%
13		14,000	\$ 78.93	\$ 87.41	\$ 8.48	10.74%
14	Proposed Rates:	16,000	\$ 83.81	\$ 92.93	\$ 9.12	10.88%
15	Base Charge:	18,000	\$ 88.69	\$ 98.45	\$ 9.76	11.00%
16	Arsenic Surcharge:	20,000	\$ 93.57	\$ 103.97	\$ 10.40	11.11%
17		25,000	\$ 107.19	\$ 119.37	\$ 12.18	11.36%
18	Tier One Rate:	30,000	\$ 122.94	\$ 137.17	\$ 14.23	11.57%
19	Tier Two Rate:	35,000	\$ 138.69	\$ 154.97	\$ 16.28	11.74%
20	Tier Three Rate:	40,000	\$ 154.44	\$ 172.77	\$ 18.33	11.87%
21		45,000	\$ 170.19	\$ 190.57	\$ 20.38	11.97%
22	Tier One Breakover (M gal):	-	\$ 185.94	\$ 208.37	\$ 22.43	12.06%
23	Tier Two Breakover (M gal):	23	\$ 217.44	\$ 243.97	\$ 26.53	12.20%
24	Tier Three Breakover (M gal):	999,999	\$ 248.94	\$ 279.57	\$ 30.63	12.30%
25		80,000	\$ 280.44	\$ 315.17	\$ 34.73	12.38%
26		90,000	\$ 311.94	\$ 350.77	\$ 38.83	12.45%
27		100,000	\$ 343.44	\$ 386.37	\$ 42.93	12.50%
28						
29	Average Usage	38,186	\$ 148.73	\$ 166.31	\$ 17.58	11.82%
30	Median Usage	14,638	\$ 80.49	\$ 89.17	\$ 8.68	10.78%
31						
32						
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial (Irrigation)
Rate Code: I4

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	Present Rates:	-	\$ 89.54	\$ 97.54	\$ 8.00	8.93%
2	Base Charge: \$ 62.00	1,000	\$ 91.98	\$ 100.30	\$ 8.32	9.05%
3	Arsenic Surcharge: \$ 27.54	2,000	\$ 94.42	\$ 103.06	\$ 8.64	9.15%
4		3,000	\$ 96.86	\$ 105.82	\$ 8.96	9.25%
5	Tier One Rate: \$ -	4,000	\$ 99.30	\$ 108.58	\$ 9.28	9.35%
6	Tier Two Rate: \$ 2.44	5,000	\$ 101.74	\$ 111.34	\$ 9.60	9.44%
7	Tier Three Rate: \$ 3.15	6,000	\$ 104.18	\$ 114.10	\$ 9.92	9.52%
8		7,000	\$ 106.62	\$ 116.86	\$ 10.24	9.60%
9	Tier One Breakover (M gal): -	8,000	\$ 109.06	\$ 119.62	\$ 10.56	9.68%
10	Tier Two Breakover (M gal): 58	9,000	\$ 111.50	\$ 122.38	\$ 10.88	9.76%
11	Tier Three Breakover (M gal): 999,999	10,000	\$ 113.94	\$ 125.14	\$ 11.20	9.83%
12		12,000	\$ 118.82	\$ 130.66	\$ 11.84	9.96%
13		14,000	\$ 123.70	\$ 136.18	\$ 12.48	10.09%
14	Proposed Rates:	16,000	\$ 128.58	\$ 141.70	\$ 13.12	10.20%
15	Base Charge: \$ 70.00	18,000	\$ 133.46	\$ 147.22	\$ 13.76	10.31%
16	Arsenic Surcharge: \$ 27.54	20,000	\$ 138.34	\$ 152.74	\$ 14.40	10.41%
17		25,000	\$ 150.54	\$ 166.54	\$ 16.00	10.63%
18	Tier One Rate: \$ -	30,000	\$ 162.74	\$ 180.34	\$ 17.60	10.81%
19	Tier Two Rate: \$ 2.76	35,000	\$ 174.94	\$ 194.14	\$ 19.20	10.98%
20	Tier Three Rate: \$ 3.56	40,000	\$ 187.14	\$ 207.94	\$ 20.80	11.11%
21		45,000	\$ 199.34	\$ 221.74	\$ 22.40	11.24%
22	Tier One Breakover (M gal): -	50,000	\$ 211.54	\$ 235.54	\$ 24.00	11.35%
23	Tier Two Breakover (M gal): 58	60,000	\$ 237.36	\$ 264.74	\$ 27.38	11.54%
24	Tier Three Breakover (M gal): 999,999	70,000	\$ 268.86	\$ 300.34	\$ 31.48	11.71%
25		80,000	\$ 300.36	\$ 335.94	\$ 35.58	11.85%
26		90,000	\$ 331.86	\$ 371.54	\$ 39.68	11.96%
27		100,000	\$ 363.36	\$ 407.14	\$ 43.78	12.05%
28						
29		Average Usage				
30		93,833	\$ 343.93	\$ 385.19	\$ 41.26	12.00%
31		Median Usage				
32		25,900	\$ 152.74	\$ 169.02	\$ 16.28	10.66%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Meter Size: 2"
Class: Commercial (Irrigation)
Rate Code: I5

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<u>Present Rates:</u>	-	\$ 143.06	\$ 156.06	\$ 13.00	9.09%
2	Base Charge:	1,000	\$ 145.50	\$ 158.82	\$ 13.32	9.15%
3	Arsenic Surcharge:	2,000	\$ 147.94	\$ 161.58	\$ 13.64	9.22%
4		3,000	\$ 150.38	\$ 164.34	\$ 13.96	9.28%
5	Tier One Rate:	4,000	\$ 152.82	\$ 167.10	\$ 14.28	9.34%
6	Tier Two Rate:	5,000	\$ 155.26	\$ 169.86	\$ 14.60	9.40%
7	Tier Three Rate:	6,000	\$ 157.70	\$ 172.62	\$ 14.92	9.46%
8		7,000	\$ 160.14	\$ 175.38	\$ 15.24	9.52%
9	Tier One Breakover (M gal):	-	\$ 162.58	\$ 178.14	\$ 15.56	9.57%
10	Tier Two Breakover (M gal):	95	\$ 165.02	\$ 180.90	\$ 15.88	9.62%
11	Tier Three Breakover (M gal):	999,999	\$ 167.46	\$ 183.66	\$ 16.20	9.67%
12		12,000	\$ 172.34	\$ 189.18	\$ 16.84	9.77%
13		14,000	\$ 177.22	\$ 194.70	\$ 17.48	9.86%
14	<u>Proposed Rates:</u>	16,000	\$ 182.10	\$ 200.22	\$ 18.12	9.95%
15	Base Charge:	18,000	\$ 186.98	\$ 205.74	\$ 18.76	10.03%
16	Arsenic Surcharge:	20,000	\$ 191.86	\$ 211.26	\$ 19.40	10.11%
17		25,000	\$ 204.06	\$ 225.06	\$ 21.00	10.29%
18	Tier One Rate:	30,000	\$ 216.26	\$ 238.86	\$ 22.60	10.45%
19	Tier Two Rate:	35,000	\$ 228.46	\$ 252.66	\$ 24.20	10.59%
20	Tier Three Rate:	40,000	\$ 240.66	\$ 266.46	\$ 25.80	10.72%
21		45,000	\$ 252.86	\$ 280.26	\$ 27.40	10.84%
22	Tier One Breakover (M gal):	-	\$ 265.06	\$ 294.06	\$ 29.00	10.94%
23	Tier Two Breakover (M gal):	95	\$ 289.46	\$ 321.66	\$ 32.20	11.12%
24	Tier Three Breakover (M gal):	999,999	\$ 313.86	\$ 349.26	\$ 35.40	11.28%
25		80,000	\$ 338.26	\$ 376.86	\$ 38.60	11.41%
26		90,000	\$ 362.66	\$ 404.46	\$ 41.80	11.53%
27		100,000	\$ 390.61	\$ 436.06	\$ 45.45	11.64%
28						
29		Average Usage				
30		338,181	\$ 1,140.88	\$ 1,283.98	\$ 143.10	12.54%
31		Median Usage				
32		216,600	\$ 757.90	\$ 851.16	\$ 93.26	12.31%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Typical Bill Analysis

Exhibit: RLJ-DT4
Schedule H-4
Witness: Jones

Line Size: 6"
Class: Fire Service
Rate Code: F2

Line No.	Rate Schedules	Usage	Present Bill	Proposed Bill	Dollar Increase	Percent Increase
1	<u>Present Rates:</u>	-	\$ 12.40	\$ 14.00	\$ 1.60	12.90%
2	Base Charge:	\$ 12.40	1,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
3	Arsenic Surcharge:	\$ -	2,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
4			3,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
5	Tier One Rate:	\$ -	4,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
6	Tier Two Rate:	\$ -	5,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
7	Tier Three Rate:	\$ -	6,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
8			7,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
9	Tier One Breakover (M gal):	-	8,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
10	Tier Two Breakover (M gal):	-	9,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
11	Tier Three Breakover (M gal):	-	10,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
12			12,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
13			14,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
14	<u>Proposed Rates:</u>		16,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
15	Base Charge:	\$ 14.00	18,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
16	Arsenic Surcharge:	\$ -	20,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
17			25,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
18	Tier One Rate:	\$ -	30,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
19	Tier Two Rate:	\$ -	35,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
20	Tier Three Rate:	\$ -	40,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
21			45,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
22	Tier One Breakover (M gal):	-	50,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
23	Tier Two Breakover (M gal):	-	60,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
24	Tier Three Breakover (M gal):	-	70,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
25			80,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
26			90,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
27			100,000 \$ 12.40	\$ 14.00	\$ 1.60	12.90%
28						
29		Average Usage				
30		-	\$ 12.40	\$ 14.00	\$ 1.60	12.90%
31		Median Usage				
32		-	\$ 12.40	\$ 14.00	\$ 1.60	12.90%
33						
34						

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 5/8" x 3/4"
Class: Residential
Rate Code: R1

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	3	Base Charge:	\$ 12.40	\$ 14.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge:	\$ 5.51	\$ 5.51
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:	\$ 1.50	\$ 1.69
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	33	-	-	33	2.72%	-	0.00%
2	1 - 1,000	93	347	32,300	126	10.38%	32,300	0.38%
3	1,001 - 2,000	88	1,531	134,750	214	17.63%	167,050	1.95%
4	2,001 - 3,000	146	2,544	371,490	360	29.65%	538,540	6.29%
5	3,001 - 4,000	132	3,465	457,390	492	40.53%	995,930	11.63%
6	4,001 - 5,000	105	4,452	467,490	597	49.18%	1,463,420	17.09%
7	5,001 - 6,000	106	5,518	584,870	703	57.91%	2,048,290	23.92%
8	6,001 - 7,000	93	6,534	607,680	796	65.57%	2,655,970	31.01%
9	7,001 - 8,000	65	7,423	482,490	861	70.92%	3,138,460	36.64%
10	8,001 - 9,000	61	8,409	512,920	922	75.95%	3,651,380	42.63%
11	9,001 - 10,000	41	9,497	389,380	963	79.32%	4,040,760	47.18%
12	10,001 - 11,000	42	10,492	440,680	1,005	82.78%	4,481,440	52.32%
13	11,001 - 12,000	28	11,501	322,040	1,033	85.09%	4,803,480	56.08%
14	12,001 - 13,000	22	12,443	273,750	1,055	86.90%	5,077,230	59.28%
15	13,001 - 14,000	24	13,442	322,600	1,079	88.88%	5,399,830	63.05%
16	14,001 - 15,000	14	14,433	202,060	1,093	90.03%	5,601,890	65.41%
17	15,001 - 16,000	15	15,631	234,470	1,108	91.27%	5,836,360	68.14%
18	16,001 - 17,000	10	16,750	167,500	1,118	92.09%	6,003,860	70.10%
19	17,001 - 18,000	12	17,591	211,090	1,130	93.08%	6,214,950	72.56%
20	18,001 - 19,000	8	18,310	146,480	1,138	93.74%	6,361,430	74.27%
21	19,001 - 20,000	10	19,422	194,220	1,148	94.56%	6,555,650	76.54%
22	20,001 - 21,000	7	20,464	143,250	1,155	95.14%	6,698,900	78.21%
23	21,001 - 22,000	4	21,718	86,870	1,159	95.47%	6,785,770	79.23%
24	22,001 - 23,000	3	22,360	67,080	1,162	95.72%	6,852,850	80.01%
25	23,001 - 24,000	10	23,647	236,470	1,172	96.54%	7,089,320	82.77%
26	24,001 - 25,000	5	24,340	121,700	1,177	96.95%	7,211,020	84.19%
27	25,001 - 26,000	1	25,830	25,830	1,178	97.03%	7,236,850	84.50%
28	26,001 - 27,000	4	26,500	106,000	1,182	97.36%	7,342,850	85.73%
29	27,001 - 28,000	3	27,543	82,630	1,185	97.61%	7,425,480	86.70%
30	28,001 - 29,000	2	28,370	56,740	1,187	97.78%	7,482,220	87.36%
31	29,001 - 30,000	2	29,510	59,020	1,189	97.94%	7,541,240	88.05%
32	30,001 - 31,000	3	30,433	91,300	1,192	98.19%	7,632,540	89.12%
33	31,001 - 32,000	4	31,398	125,590	1,196	98.52%	7,758,130	90.58%
34	32,001 - 33,000	-	-	-	1,196	98.52%	7,758,130	90.58%
35	33,001 - 34,000	2	33,860	67,720	1,198	98.68%	7,825,850	91.37%
36	34,001 - 35,000	3	34,330	102,990	1,201	98.93%	7,928,840	92.58%
37	35,001 - 36,000	3	35,267	105,800	1,204	99.18%	8,034,640	93.81%
38	36,001 - 37,000	1	36,110	36,110	1,205	99.26%	8,070,750	94.23%
39	37,001 - 38,000	-	-	-	1,205	99.26%	8,070,750	94.23%
40	38,001 - 39,000	1	38,740	38,740	1,206	99.34%	8,109,490	94.68%
41	39,001 - 40,000	2	39,765	79,530	1,208	99.51%	8,189,020	95.61%
42	40,001 - 41,000	1	40,800	40,800	1,209	99.59%	8,229,820	96.09%
43	41,001 - 42,000	1	41,570	41,570	1,210	99.67%	8,271,390	96.57%
44	42,001 - 43,000	-	-	-	1,210	99.67%	8,271,390	96.57%
45	43,001 - 44,000	-	-	-	1,210	99.67%	8,271,390	96.57%
46	44,001 - 45,000	1	44,160	44,160	1,211	99.75%	8,315,550	97.09%
47	45,001 - 46,000	-	-	-	1,211	99.75%	8,315,550	97.09%
48	46,001 - 47,000	-	-	-	1,211	99.75%	8,315,550	97.09%
49	47,001 - 48,000	-	-	-	1,211	99.75%	8,315,550	97.09%
50	48,001 - 49,000	1	48,200	48,200	1,212	99.84%	8,363,750	97.65%
51	49,001 - 50,000	-	-	-	1,212	99.84%	8,363,750	97.65%
52	50,001 - 51,000	1	50,010	50,010	1,213	99.92%	8,413,760	98.24%
53	51,001 - 52,000	-	-	-	1,213	99.92%	8,413,760	98.24%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 5/8" x 3/4"
Class: Residential
Rate Code: R1

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	3	Base Charge:	\$ 12.40	\$ 14.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge:	\$ 5.51	\$ 5.51
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:	\$ 1.50	\$ 1.69
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	1,213	99.92%	8,413,760	98.24%
55	53,001 - 54,000	-	-	-	1,213	99.92%	8,413,760	98.24%
56	54,001 - 55,000	-	-	-	1,213	99.92%	8,413,760	98.24%
57	55,001 - 56,000	-	-	-	1,213	99.92%	8,413,760	98.24%
58	56,001 - 57,000	-	-	-	1,213	99.92%	8,413,760	98.24%
59	57,001 - 58,000	-	-	-	1,213	99.92%	8,413,760	98.24%
60	58,001 - 59,000	-	-	-	1,213	99.92%	8,413,760	98.24%
61	59,001 - 60,000	-	-	-	1,213	99.92%	8,413,760	98.24%
62	60,001 - 61,000	-	-	-	1,213	99.92%	8,413,760	98.24%
63	61,001 - 62,000	-	-	-	1,213	99.92%	8,413,760	98.24%
64	62,001 - 63,000	-	-	-	1,213	99.92%	8,413,760	98.24%
65	63,001 - 64,000	-	-	-	1,213	99.92%	8,413,760	98.24%
66	64,001 - 65,000	-	-	-	1,213	99.92%	8,413,760	98.24%
67	65,001 - 66,000	-	-	-	1,213	99.92%	8,413,760	98.24%
68	66,001 - 67,000	-	-	-	1,213	99.92%	8,413,760	98.24%
69	67,001 - 68,000	-	-	-	1,213	99.92%	8,413,760	98.24%
70	68,001 - 69,000	-	-	-	1,213	99.92%	8,413,760	98.24%
71	69,001 - 70,000	-	-	-	1,213	99.92%	8,413,760	98.24%
72	70,001 - 71,000	-	-	-	1,213	99.92%	8,413,760	98.24%
73	71,001 - 72,000	-	-	-	1,213	99.92%	8,413,760	98.24%
74	72,001 - 73,000	-	-	-	1,213	99.92%	8,413,760	98.24%
75	73,001 - 74,000	-	-	-	1,213	99.92%	8,413,760	98.24%
76	74,001 - 75,000	-	-	-	1,213	99.92%	8,413,760	98.24%
77	75,001 - 76,000	-	-	-	1,213	99.92%	8,413,760	98.24%
78	76,001 - 77,000	-	-	-	1,213	99.92%	8,413,760	98.24%
79	77,001 - 78,000	-	-	-	1,213	99.92%	8,413,760	98.24%
80	78,001 - 79,000	-	-	-	1,213	99.92%	8,413,760	98.24%
81	79,001 - 80,000	-	-	-	1,213	99.92%	8,413,760	98.24%
82	80,001 - 81,000	-	-	-	1,213	99.92%	8,413,760	98.24%
83	81,001 - 82,000	-	-	-	1,213	99.92%	8,413,760	98.24%
84	82,001 - 83,000	-	-	-	1,213	99.92%	8,413,760	98.24%
85	83,001 - 84,000	-	-	-	1,213	99.92%	8,413,760	98.24%
86	84,001 - 85,000	-	-	-	1,213	99.92%	8,413,760	98.24%
87	85,001 - 86,000	-	-	-	1,213	99.92%	8,413,760	98.24%
88	86,001 - 87,000	-	-	-	1,213	99.92%	8,413,760	98.24%
89	87,001 - 88,000	-	-	-	1,213	99.92%	8,413,760	98.24%
90	88,001 - 89,000	-	-	-	1,213	99.92%	8,413,760	98.24%
91	89,001 - 90,000	-	-	-	1,213	99.92%	8,413,760	98.24%
92	90,001 - 91,000	-	-	-	1,213	99.92%	8,413,760	98.24%
93	91,001 - 92,000	-	-	-	1,213	99.92%	8,413,760	98.24%
94	92,001 - 93,000	-	-	-	1,213	99.92%	8,413,760	98.24%
95	93,001 - 94,000	-	-	-	1,213	99.92%	8,413,760	98.24%
96	94,001 - 95,000	-	-	-	1,213	99.92%	8,413,760	98.24%
97	95,001 - 96,000	-	-	-	1,213	99.92%	8,413,760	98.24%
98	96,001 - 97,000	-	-	-	1,213	99.92%	8,413,760	98.24%
99	97,001 - 98,000	-	-	-	1,213	99.92%	8,413,760	98.24%
100	98,001 - 99,000	-	-	-	1,213	99.92%	8,413,760	98.24%
101	99,001 - 100,000	-	-	-	1,213	99.92%	8,413,760	98.24%
102	151,000 - 151,000	1	151,000	151,000	1,214	100.00%	8,564,760	100.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 5/8" x 3/4"
Class: Residential
Rate Code: R1

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers	Rates	Rates			
Tier One Breakover (M gal):	3	3	Base Charge:	\$ 12.40	\$ 14.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge:	\$ 5.51	\$ 5.51
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:	\$ 1.50	\$ 1.69
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills in Block	Average Consumption in Block	Consumption in Block	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
103								
104	Totals	1,214		8,564,760	1,214		8,564,760	
105	1/2 of Prorated Bills ¹	(42)						
106	Equivalent Bills	1,172						
107								
108								
109	Average Number of Customers		98					
110								
111	Average Consumption (gallons)		7,055					
112								
113	Median Consumption (gallons)		4,546					
114								
115								
116								
117								
118								
119								
120								
121								
122								
123								

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 3/4"
Class: Residential
Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	3	Base Charge: \$	18.60	\$ 21.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge: \$	8.26	\$ 8.26
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate: \$	1.50	\$ 1.69
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	138	-	-	138	1.35%	-	0.00%
2	1 - 1,000	434	351	152,440	572	5.58%	152,440	0.16%
3	1,001 - 2,000	468	1,505	704,200	1,040	10.15%	856,640	0.89%
4	2,001 - 3,000	591	2,525	1,492,510	1,631	15.92%	2,349,150	2.43%
5	3,001 - 4,000	732	3,510	2,569,180	2,363	23.06%	4,918,330	5.09%
6	4,001 - 5,000	790	4,491	3,547,510	3,153	30.77%	8,465,840	8.77%
7	5,001 - 6,000	805	5,494	4,422,680	3,958	38.63%	12,888,520	13.35%
8	6,001 - 7,000	769	6,496	4,995,790	4,727	46.14%	17,884,310	18.52%
9	7,001 - 8,000	726	7,517	5,457,487	5,453	53.22%	23,341,797	24.17%
10	8,001 - 9,000	641	8,477	5,433,800	6,094	59.48%	28,775,597	29.80%
11	9,001 - 10,000	592	9,484	5,614,440	6,686	65.25%	34,390,037	35.61%
12	10,001 - 11,000	492	10,478	5,155,280	7,178	70.06%	39,545,317	40.95%
13	11,001 - 12,000	410	11,483	4,707,950	7,588	74.06%	44,253,267	45.83%
14	12,001 - 13,000	379	12,503	4,738,690	7,967	77.76%	48,991,957	50.73%
15	13,001 - 14,000	325	13,512	4,391,540	8,292	80.93%	53,383,497	55.28%
16	14,001 - 15,000	285	14,495	4,131,110	8,577	83.71%	57,514,607	59.56%
17	15,001 - 16,000	204	15,500	3,162,040	8,781	85.70%	60,676,647	62.83%
18	16,001 - 17,000	179	16,491	2,951,940	8,960	87.45%	63,628,587	65.89%
19	17,001 - 18,000	181	17,486	3,165,040	9,141	89.22%	66,793,627	69.17%
20	18,001 - 19,000	150	18,506	2,775,890	9,291	90.68%	69,569,517	72.04%
21	19,001 - 20,000	131	19,488	2,552,910	9,422	91.96%	72,122,427	74.68%
22	20,001 - 21,000	116	20,483	2,376,000	9,538	93.09%	74,498,427	77.14%
23	21,001 - 22,000	85	21,420	1,820,660	9,623	93.92%	76,319,087	79.03%
24	22,001 - 23,000	70	22,501	1,575,100	9,693	94.60%	77,894,187	80.66%
25	23,001 - 24,000	68	23,478	1,596,530	9,761	95.27%	79,490,717	82.31%
26	24,001 - 25,000	55	24,513	1,348,200	9,816	95.80%	80,838,917	83.71%
27	25,001 - 26,000	61	25,476	1,554,060	9,877	96.40%	82,392,977	85.32%
28	26,001 - 27,000	44	26,498	1,165,890	9,921	96.83%	83,558,867	86.53%
29	27,001 - 28,000	29	27,492	797,260	9,950	97.11%	84,356,127	87.35%
30	28,001 - 29,000	31	28,394	880,210	9,981	97.41%	85,236,337	88.26%
31	29,001 - 30,000	24	29,483	707,590	10,005	97.65%	85,943,927	89.00%
32	30,001 - 31,000	29	30,508	884,740	10,034	97.93%	86,828,667	89.91%
33	31,001 - 32,000	21	31,445	660,340	10,055	98.14%	87,489,007	90.60%
34	32,001 - 33,000	18	32,504	585,080	10,073	98.31%	88,074,087	91.20%
35	33,001 - 34,000	19	33,475	636,030	10,092	98.50%	88,710,117	91.86%
36	34,001 - 35,000	15	34,562	518,430	10,107	98.64%	89,228,547	92.40%
37	35,001 - 36,000	17	35,476	603,090	10,124	98.81%	89,831,637	93.02%
38	36,001 - 37,000	10	36,542	365,420	10,134	98.91%	90,197,057	93.40%
39	37,001 - 38,000	10	37,504	375,040	10,144	99.00%	90,572,097	93.79%
40	38,001 - 39,000	7	38,294	268,060	10,151	99.07%	90,840,157	94.07%
41	39,001 - 40,000	6	39,463	236,780	10,157	99.13%	91,076,937	94.31%
42	40,001 - 41,000	13	40,527	526,850	10,170	99.26%	91,603,787	94.86%
43	41,001 - 42,000	7	41,424	289,970	10,177	99.33%	91,893,757	95.16%
44	42,001 - 43,000	5	42,430	212,150	10,182	99.38%	92,105,907	95.38%
45	43,001 - 44,000	3	43,510	130,530	10,185	99.40%	92,236,437	95.51%
46	44,001 - 45,000	3	44,263	132,790	10,188	99.43%	92,369,227	95.65%
47	45,001 - 46,000	1	45,200	45,200	10,189	99.44%	92,414,427	95.70%
48	46,001 - 47,000	2	46,495	92,990	10,191	99.46%	92,507,417	95.79%
49	47,001 - 48,000	2	47,630	95,260	10,193	99.48%	92,602,677	95.89%
50	48,001 - 49,000	4	48,343	193,370	10,197	99.52%	92,796,047	96.09%
51	49,001 - 50,000	-	-	-	10,197	99.52%	92,796,047	96.09%
52	50,001 - 51,000	3	50,593	151,780	10,200	99.55%	92,947,827	96.25%
53	51,001 - 52,000	1	51,330	51,330	10,201	99.56%	92,999,157	96.30%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 3/4"
Class: Residential
Rate Code: R2

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 18.60	\$ 21.00
Tier One Breakover (M gal):	3	3	Arsenic Surcharge:	\$ 8.26	\$ 8.26
Tier Two Breakover (M gal):	10	10	Tier One Rate:	\$ 1.50	\$ 1.69
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	2	52,405	104,810	10,203	99.58%	93,103,967	96.41%
55	53,001 - 54,000	1	53,530	53,530	10,204	99.59%	93,157,497	96.47%
56	54,001 - 55,000	3	54,513	163,540	10,207	99.62%	93,321,037	96.64%
57	55,001 - 56,000	1	55,130	55,130	10,208	99.63%	93,376,167	96.69%
58	56,001 - 57,000	1	56,660	56,660	10,209	99.64%	93,432,827	96.75%
59	57,001 - 58,000	1	57,110	57,110	10,210	99.65%	93,489,937	96.81%
60	58,001 - 59,000	4	58,563	234,250	10,214	99.69%	93,724,187	97.05%
61	59,001 - 60,000	-	-	-	10,214	99.69%	93,724,187	97.05%
62	60,001 - 61,000	2	60,595	121,190	10,216	99.71%	93,845,377	97.18%
63	61,001 - 62,000	-	-	-	10,216	99.71%	93,845,377	97.18%
64	62,001 - 63,000	2	62,505	125,010	10,218	99.73%	93,970,387	97.31%
65	63,001 - 64,000	-	-	-	10,218	99.73%	93,970,387	97.31%
66	64,001 - 65,000	3	64,117	192,350	10,221	99.76%	94,162,737	97.51%
67	65,001 - 66,000	-	-	-	10,221	99.76%	94,162,737	97.51%
68	66,001 - 67,000	1	66,920	66,920	10,222	99.77%	94,229,657	97.58%
69	67,001 - 68,000	-	-	-	10,222	99.77%	94,229,657	97.58%
70	68,001 - 69,000	-	-	-	10,222	99.77%	94,229,657	97.58%
71	69,001 - 70,000	1	69,750	69,750	10,223	99.78%	94,299,407	97.65%
72	70,001 - 71,000	-	-	-	10,223	99.78%	94,299,407	97.65%
73	71,001 - 72,000	-	-	-	10,223	99.78%	94,299,407	97.65%
74	72,001 - 73,000	1	72,960	72,960	10,224	99.79%	94,372,367	97.72%
75	73,001 - 74,000	1	73,370	73,370	10,225	99.80%	94,445,737	97.80%
76	74,001 - 75,000	2	74,475	148,950	10,227	99.81%	94,594,687	97.95%
77	75,001 - 76,000	-	-	-	10,227	99.81%	94,594,687	97.95%
78	76,001 - 77,000	2	76,470	152,940	10,229	99.83%	94,747,627	98.11%
79	77,001 - 78,000	2	77,260	154,520	10,231	99.85%	94,902,147	98.27%
80	78,001 - 79,000	-	-	-	10,231	99.85%	94,902,147	98.27%
81	79,001 - 80,000	-	-	-	10,231	99.85%	94,902,147	98.27%
82	80,001 - 81,000	-	-	-	10,231	99.85%	94,902,147	98.27%
83	81,001 - 82,000	1	81,520	81,520	10,232	99.86%	94,983,667	98.36%
84	82,001 - 83,000	-	-	-	10,232	99.86%	94,983,667	98.36%
85	83,001 - 84,000	1	83,580	83,580	10,233	99.87%	95,067,247	98.44%
86	84,001 - 85,000	1	84,160	84,160	10,234	99.88%	95,151,407	98.53%
87	85,001 - 86,000	-	-	-	10,234	99.88%	95,151,407	98.53%
88	86,001 - 87,000	1	86,160	86,160	10,235	99.89%	95,237,567	98.62%
89	87,001 - 88,000	-	-	-	10,235	99.89%	95,237,567	98.62%
90	88,001 - 89,000	-	-	-	10,235	99.89%	95,237,567	98.62%
91	89,001 - 90,000	-	-	-	10,235	99.89%	95,237,567	98.62%
92	90,001 - 91,000	1	90,090	90,090	10,236	99.90%	95,327,657	98.71%
93	91,001 - 92,000	-	-	-	10,236	99.90%	95,327,657	98.71%
94	92,001 - 93,000	1	92,310	92,310	10,237	99.91%	95,419,967	98.81%
95	93,001 - 94,000	1	93,010	93,010	10,238	99.92%	95,512,977	98.91%
96	94,001 - 95,000	-	-	-	10,238	99.92%	95,512,977	98.91%
97	95,001 - 96,000	-	-	-	10,238	99.92%	95,512,977	98.91%
98	96,001 - 97,000	-	-	-	10,238	99.92%	95,512,977	98.91%
99	97,001 - 98,000	1	97,050	97,050	10,239	99.93%	95,610,027	99.01%
100	98,001 - 99,000	-	-	-	10,239	99.93%	95,610,027	99.01%
101	99,001 - 100,000	-	-	-	10,239	99.93%	95,610,027	99.01%
102	101,460 - 101,460	1	101,460	101,460	10,240	99.94%	95,711,487	99.11%
103	112,190 - 112,190	1	112,190	112,190	10,241	99.95%	95,823,677	99.23%
104	130,390 - 130,390	1	130,390	130,390	10,242	99.96%	95,954,067	99.36%
105	140,090 - 140,090	1	140,090	140,090	10,243	99.97%	96,094,157	99.51%
106	152,210 - 152,210	1	152,210	152,210	10,244	99.98%	96,246,367	99.66%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 3/4"
Class: Residential
Rate Code: R2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	3	3	Base Charge:	\$ 18.60	\$ 21.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge:	\$ 8.26	\$ 8.26
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:	\$ 1.50	\$ 1.69
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	159,510 - 159,510	1	159,510	159,510	10,245	99.99%	96,405,877	99.83%
108	164,250 - 164,250	1	164,250	164,250	10,246	100.00%	96,570,127	100.00%
109								
110	Totals	10,246		96,570,127	10,246		96,570,127	

111 1/2 of Prorated Bills¹ (273)
112 Equivalent Bills 9,973

		Current Rates		Proposed Rates	
		Units	Revenue	Units	Revenue
114	Base Charge	9,973	\$ 185,498	9,973	\$ 209,433
115	Average Number of Customers	831			
116	Arsenic Surcharge	9,973	82,377	9,973	82,377
117	Usage (gallons)				
118	Average Consumption (gallons)	9,425			
119	Median Consumption (gallons)	7,013			
120	Tier One	28,194,150	\$ 42,291	28,194,150	\$ 47,648
121	Tier Two	41,795,887	101,982	41,795,887	115,357
122	Tier Three	26,580,090	83,727	26,580,090	94,625
123	Usage Totals	96,570,127		96,570,127	
124	Revenue Totals		\$ 495,875		\$ 549,440

123 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
124 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
125 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
126 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
127 to avoid double counting billing units during months when account ownership changes. The reduction is based
128 on the actual number of meters in this class discontinuing and establishing service during the test year.
129

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Residential
Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	-	-	Base Charge: \$	31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge: \$	13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	42	-	-	42	0.93%	-	0.00%
2	1	69	324	22,380	111	2.46%	22,380	0.03%
3	1,001	49	1,542	75,580	160	3.54%	97,960	0.11%
4	2,001	99	2,625	259,920	259	5.73%	357,880	0.41%
5	3,001	156	3,468	541,050	415	9.18%	898,930	1.02%
6	4,001	179	4,522	809,447	594	13.14%	1,708,377	1.94%
7	5,001	202	5,504	1,111,880	796	17.61%	2,820,257	3.21%
8	6,001	212	6,499	1,377,810	1,008	22.30%	4,198,067	4.77%
9	7,001	229	7,507	1,719,110	1,237	27.37%	5,917,177	6.73%
10	8,001	212	8,494	1,800,810	1,449	32.06%	7,717,987	8.77%
11	9,001	195	9,496	1,851,750	1,644	36.37%	9,569,737	10.88%
12	10,001	179	10,513	1,881,860	1,823	40.33%	11,451,597	13.02%
13	11,001	173	11,508	1,990,810	1,996	44.16%	13,442,407	15.28%
14	12,001	161	12,476	2,008,670	2,157	47.72%	15,451,077	17.56%
15	13,001	152	13,508	2,053,270	2,309	51.08%	17,504,347	19.90%
16	14,001	157	14,507	2,277,620	2,466	54.56%	19,781,967	22.49%
17	15,001	121	15,479	1,872,900	2,587	57.23%	21,654,867	24.62%
18	16,001	122	16,525	2,016,030	2,709	59.93%	23,670,897	26.91%
19	17,001	119	17,489	2,081,220	2,828	62.57%	25,752,117	29.27%
20	18,001	106	18,524	1,963,520	2,934	64.91%	27,715,637	31.50%
21	19,001	117	19,513	2,282,990	3,051	67.50%	29,998,627	34.10%
22	20,001	90	20,518	1,846,650	3,141	69.49%	31,845,277	36.20%
23	21,001	78	21,536	1,679,820	3,219	71.22%	33,525,097	38.11%
24	22,001	72	22,486	1,618,970	3,291	72.81%	35,144,067	39.95%
25	23,001	81	23,522	1,905,290	3,372	74.60%	37,049,357	42.11%
26	24,001	68	24,493	1,665,540	3,440	76.11%	38,714,897	44.01%
27	25,001	75	25,474	1,910,530	3,515	77.77%	40,625,427	46.18%
28	26,001	42	26,452	1,110,970	3,557	78.69%	41,736,397	47.44%
29	27,001	61	27,496	1,677,240	3,618	80.04%	43,413,637	49.35%
30	28,001	48	28,555	1,370,620	3,666	81.11%	44,784,257	50.91%
31	29,001	36	29,419	1,059,100	3,702	81.90%	45,843,357	52.11%
32	30,001	59	30,431	1,795,400	3,761	83.21%	47,638,757	54.15%
33	31,001	32	31,542	1,009,350	3,793	83.92%	48,648,107	55.30%
34	32,001	34	32,552	1,106,770	3,827	84.67%	49,754,877	56.56%
35	33,001	32	33,562	1,073,990	3,859	85.38%	50,828,867	57.78%
36	34,001	30	34,515	1,035,460	3,889	86.04%	51,864,327	58.95%
37	35,001	30	35,499	1,064,960	3,919	86.70%	52,929,287	60.16%
38	36,001	33	36,522	1,205,220	3,952	87.43%	54,134,507	61.53%
39	37,001	25	37,604	940,100	3,977	87.99%	55,074,607	62.60%
40	38,001	24	38,558	925,390	4,001	88.52%	55,999,997	63.66%
41	39,001	28	39,409	1,103,440	4,029	89.14%	57,103,437	64.91%
42	40,001	26	40,531	1,053,800	4,055	89.71%	58,157,237	66.11%
43	41,001	21	41,447	870,390	4,076	90.18%	59,027,627	67.10%
44	42,001	23	42,438	976,070	4,099	90.69%	60,003,697	68.21%
45	43,001	18	43,510	783,180	4,117	91.08%	60,786,877	69.10%
46	44,001	19	44,484	845,200	4,136	91.50%	61,632,077	70.06%
47	45,001	14	45,509	637,120	4,150	91.81%	62,269,197	70.78%
48	46,001	23	46,644	1,072,820	4,173	92.32%	63,342,017	72.00%
49	47,001	15	47,523	712,850	4,188	92.65%	64,054,867	72.81%
50	48,001	19	48,439	920,350	4,207	93.08%	64,975,217	73.86%
51	49,001	18	49,628	893,310	4,225	93.47%	65,868,527	74.87%
52	50,001	16	50,572	809,150	4,241	93.83%	66,677,677	75.79%
53	51,001	16	51,450	823,200	4,257	94.18%	67,500,877	76.73%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Residential
Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):	-	-	Base Charge:	\$ 31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge:	\$ 13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	20	52,507	1,050,130	4,277	94.62%	68,551,007	77.92%
55	53,001 - 54,000	9	53,686	483,170	4,286	94.82%	69,034,177	78.47%
56	54,001 - 55,000	9	54,492	490,430	4,295	95.02%	69,524,607	79.03%
57	55,001 - 56,000	7	55,387	387,710	4,302	95.18%	69,912,317	79.47%
58	56,001 - 57,000	7	56,649	396,540	4,309	95.33%	70,308,857	79.92%
59	57,001 - 58,000	15	57,483	862,240	4,324	95.66%	71,171,097	80.90%
60	58,001 - 59,000	7	58,653	410,570	4,331	95.82%	71,581,667	81.37%
61	59,001 - 60,000	8	59,311	474,490	4,339	96.00%	72,056,157	81.91%
62	60,001 - 61,000	2	60,420	120,840	4,341	96.04%	72,176,997	82.04%
63	61,001 - 62,000	11	61,544	676,980	4,352	96.28%	72,853,977	82.81%
64	62,001 - 63,000	10	62,491	624,910	4,362	96.50%	73,478,887	83.52%
65	63,001 - 64,000	5	63,370	316,850	4,367	96.62%	73,795,737	83.88%
66	64,001 - 65,000	5	64,624	323,120	4,372	96.73%	74,118,857	84.25%
67	65,001 - 66,000	4	65,388	261,550	4,376	96.81%	74,380,407	84.55%
68	66,001 - 67,000	5	66,474	332,370	4,381	96.92%	74,712,777	84.93%
69	67,001 - 68,000	2	67,560	135,120	4,383	96.97%	74,847,897	85.08%
70	68,001 - 69,000	4	68,613	274,450	4,387	97.06%	75,122,347	85.39%
71	69,001 - 70,000	3	69,810	209,430	4,390	97.12%	75,331,777	85.63%
72	70,001 - 71,000	8	70,426	563,410	4,398	97.30%	75,895,187	86.27%
73	71,001 - 72,000	4	71,515	286,060	4,402	97.39%	76,181,247	86.60%
74	72,001 - 73,000	6	72,388	434,330	4,408	97.52%	76,615,577	87.09%
75	73,001 - 74,000	6	73,518	441,110	4,414	97.65%	77,056,687	87.59%
76	74,001 - 75,000	5	74,564	372,820	4,419	97.77%	77,429,507	88.01%
77	75,001 - 76,000	3	75,573	226,720	4,422	97.83%	77,656,227	88.27%
78	76,001 - 77,000	5	76,348	381,740	4,427	97.94%	78,037,967	88.71%
79	77,001 - 78,000	2	77,335	154,670	4,429	97.99%	78,192,637	88.88%
80	78,001 - 79,000	4	78,575	314,300	4,433	98.08%	78,506,937	89.24%
81	79,001 - 80,000	3	79,403	238,210	4,436	98.14%	78,745,147	89.51%
82	80,001 - 81,000	5	80,440	402,200	4,441	98.25%	79,147,347	89.97%
83	81,001 - 82,000	7	81,409	569,860	4,448	98.41%	79,717,207	90.61%
84	82,001 - 83,000	3	82,587	247,760	4,451	98.47%	79,964,967	90.90%
85	83,001 - 84,000	-	-	-	4,451	98.47%	79,964,967	90.90%
86	84,001 - 85,000	5	84,472	422,360	4,456	98.58%	80,387,327	91.38%
87	85,001 - 86,000	1	85,410	85,410	4,457	98.61%	80,472,737	91.47%
88	86,001 - 87,000	2	86,660	173,320	4,459	98.65%	80,646,057	91.67%
89	87,001 - 88,000	2	87,155	174,310	4,461	98.69%	80,820,367	91.87%
90	88,001 - 89,000	4	88,720	354,880	4,465	98.78%	81,175,247	92.27%
91	89,001 - 90,000	3	89,577	268,730	4,468	98.85%	81,443,977	92.58%
92	90,001 - 91,000	3	90,513	271,540	4,471	98.92%	81,715,517	92.89%
93	91,001 - 92,000	1	91,880	91,880	4,472	98.94%	81,807,397	92.99%
94	92,001 - 93,000	1	92,060	92,060	4,473	98.96%	81,899,457	93.10%
95	93,001 - 94,000	3	93,697	281,090	4,476	99.03%	82,180,547	93.41%
96	94,001 - 95,000	-	-	-	4,476	99.03%	82,180,547	93.41%
97	95,001 - 96,000	-	-	-	4,476	99.03%	82,180,547	93.41%
98	96,001 - 97,000	4	96,320	385,280	4,480	99.12%	82,565,827	93.85%
99	97,001 - 98,000	2	97,415	194,830	4,482	99.16%	82,760,657	94.07%
100	98,001 - 99,000	-	-	-	4,482	99.16%	82,760,657	94.07%
101	99,001 - 100,000	-	-	-	4,482	99.16%	82,760,657	94.07%
102	100,820 - 100,820	1	100,820	100,820	4,483	99.18%	82,861,477	94.19%
103	101,290 - 101,290	1	101,290	101,290	4,484	99.20%	82,962,767	94.30%
104	101,460 - 101,460	1	101,460	101,460	4,485	99.23%	83,064,227	94.42%
105	101,990 - 101,990	1	101,990	101,990	4,486	99.25%	83,166,217	94.54%
106	103,840 - 103,840	1	103,840	103,840	4,487	99.27%	83,270,057	94.65%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Residential
Rate Code: R3

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):	-	-
Tier Two Breakover (M gal):	23	23
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge: \$	31.00	\$ 35.00
Arsenic Surcharge: \$	13.77	\$ 13.77
Tier One Rate:		
Tier Two Rate: \$	2.44	\$ 2.76
Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	104,020 - 104,020	1	104,020	104,020	4,488	99.29%	83,374,077	94.77%
108	105,210 - 105,210	1	105,210	105,210	4,489	99.31%	83,479,287	94.89%
109	105,700 - 105,700	1	105,700	105,700	4,490	99.34%	83,584,987	95.01%
110	106,930 - 106,930	1	106,930	106,930	4,491	99.36%	83,691,917	95.13%
111	108,620 - 108,620	1	108,620	108,620	4,492	99.38%	83,800,537	95.26%
112	108,910 - 108,910	1	108,910	108,910	4,493	99.40%	83,909,447	95.38%
113	109,170 - 109,170	1	109,170	109,170	4,494	99.42%	84,018,617	95.50%
114	109,300 - 109,300	1	109,300	109,300	4,495	99.45%	84,127,917	95.63%
115	110,320 - 110,320	1	110,320	110,320	4,496	99.47%	84,238,237	95.75%
116	111,020 - 111,020	1	111,020	111,020	4,497	99.49%	84,349,257	95.88%
117	112,700 - 112,700	1	112,700	112,700	4,498	99.51%	84,461,957	96.01%
118	113,190 - 113,190	1	113,190	113,190	4,499	99.54%	84,575,147	96.14%
119	115,040 - 115,040	1	115,040	115,040	4,500	99.56%	84,690,187	96.27%
120	119,150 - 119,150	1	119,150	119,150	4,501	99.58%	84,809,337	96.40%
121	120,690 - 120,690	1	120,690	120,690	4,502	99.60%	84,930,027	96.54%
122	120,960 - 120,960	1	120,960	120,960	4,503	99.62%	85,050,987	96.68%
123	122,390 - 122,390	1	122,390	122,390	4,504	99.65%	85,173,377	96.82%
124	126,830 - 126,830	1	126,830	126,830	4,505	99.67%	85,300,207	96.96%
125	127,500 - 127,500	1	127,500	127,500	4,506	99.69%	85,427,707	97.11%
126	127,510 - 127,510	1	127,510	127,510	4,507	99.71%	85,555,217	97.25%
127	130,300 - 130,300	1	130,300	130,300	4,508	99.73%	85,685,517	97.40%
128	131,350 - 131,350	1	131,350	131,350	4,509	99.76%	85,816,867	97.55%
129	136,940 - 136,940	1	136,940	136,940	4,510	99.78%	85,953,807	97.70%
130	137,110 - 137,110	1	137,110	137,110	4,511	99.80%	86,090,917	97.86%
131	147,080 - 147,080	1	147,080	147,080	4,512	99.82%	86,237,997	98.03%
132	148,020 - 148,020	1	148,020	148,020	4,513	99.85%	86,386,017	98.20%
133	149,110 - 149,110	1	149,110	149,110	4,514	99.87%	86,535,127	98.36%
134	164,180 - 164,180	1	164,180	164,180	4,515	99.89%	86,699,307	98.55%
135	209,510 - 209,510	1	209,510	209,510	4,516	99.91%	86,908,817	98.79%
136	213,630 - 213,630	1	213,630	213,630	4,517	99.93%	87,122,447	99.03%
137	243,120 - 243,120	1	243,120	243,120	4,518	99.96%	87,365,567	99.31%
138	260,510 - 260,510	1	260,510	260,510	4,519	99.98%	87,626,077	99.60%
139	347,560 - 347,560	1	347,560	347,560	4,520	100.00%	87,973,637	100.00%

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Residential R3			Present	Proposed
			Charges	Rates
Rate Tiers	Present Rates	Proposed Rates		
Tier One Breakover (M gal):	-	-	Base Charge: \$	31.00 \$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge: \$	13.77 \$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:	
			Tier Two Rate: \$	2.44 \$ 2.76
			Tier Three Rate: \$	3.15 \$ 3.56

154 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
155 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
156 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
157 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
158 to avoid double counting billing units during months when account ownership changes. The reduction is based
159 on the actual number of meters in this class discontinuing and establishing service during the test year.
160

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT4
 Schedule H-5
 Witness: Jones

Meter Size: 1 1/2"
 Class: Residential
 Rate Code: R4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:	\$ 62.00	\$ 70.00
Tier Two Breakover (M gal):	58	58	Arsenic Surcharge:	\$ 27.54	\$ 27.54
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block		Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption		
						No.	% of Total	Amount	% of Total	
1	-	-	-	-	-	-	0.00%	-	0.00%	
2	1	-	1,000	-	-	-	0.00%	-	0.00%	
3	1,001	-	2,000	-	-	-	0.00%	-	0.00%	
4	2,001	-	3,000	-	-	-	0.00%	-	0.00%	
5	3,001	-	4,000	-	-	-	0.00%	-	0.00%	
6	4,001	-	5,000	-	-	-	0.00%	-	0.00%	
7	5,001	-	6,000	-	-	-	0.00%	-	0.00%	
8	6,001	-	7,000	-	-	-	0.00%	-	0.00%	
9	7,001	-	8,000	-	-	-	0.00%	-	0.00%	
10	8,001	-	9,000	-	-	-	0.00%	-	0.00%	
11	9,001	-	10,000	-	-	-	0.00%	-	0.00%	
12	10,001	-	11,000	-	-	-	0.00%	-	0.00%	
13	11,001	-	12,000	-	-	-	0.00%	-	0.00%	
14	12,001	-	13,000	-	-	-	0.00%	-	0.00%	
15	13,001	-	14,000	-	-	-	0.00%	-	0.00%	
16	14,001	-	15,000	-	-	-	0.00%	-	0.00%	
17	15,001	-	16,000	-	-	-	0.00%	-	0.00%	
18	16,001	-	17,000	1	16,300	16,300	1	8.33%	16,300	5.37%
19	17,001	-	18,000	-	-	-	1	8.33%	16,300	5.37%
20	18,001	-	19,000	-	-	-	1	8.33%	16,300	5.37%
21	19,001	-	20,000	-	-	-	1	8.33%	16,300	5.37%
22	20,001	-	21,000	-	-	-	1	8.33%	16,300	5.37%
23	21,001	-	22,000	2	21,800	43,600	3	25.00%	59,900	19.74%
24	22,001	-	23,000	-	-	-	3	25.00%	59,900	19.74%
25	23,001	-	24,000	1	23,500	23,500	4	33.33%	83,400	27.49%
26	24,001	-	25,000	2	24,800	49,600	6	50.00%	133,000	43.84%
27	25,001	-	26,000	1	25,400	25,400	7	58.33%	158,400	52.21%
28	26,001	-	27,000	1	26,100	26,100	8	66.67%	184,500	60.81%
29	27,001	-	28,000	2	27,950	55,900	10	83.33%	240,400	79.24%
30	28,001	-	29,000	1	28,700	28,700	11	91.67%	269,100	88.69%
31	29,001	-	30,000	-	-	-	11	91.67%	269,100	88.69%
32	30,001	-	31,000	-	-	-	11	91.67%	269,100	88.69%
33	31,001	-	32,000	-	-	-	11	91.67%	269,100	88.69%
34	32,001	-	33,000	-	-	-	11	91.67%	269,100	88.69%
35	33,001	-	34,000	-	-	-	11	91.67%	269,100	88.69%
36	34,001	-	35,000	1	34,300	34,300	12	100.00%	303,400	100.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLI-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Residential
Rate Code: R4

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 62.00	\$ 70.00
Tier One Breakover (M gal):			Arsenic Surcharge:	\$ 27.54	\$ 27.54
Tier Two Breakover (M gal):	58	58	Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
37								
38	Totals	12		303,400	12		303,400	
39	1/2 of Prorated Bills ¹							
40	Equivalent Bills	12						
41								
42								
43	Average Number of Customers	1						
44								
45	Average Consumption (gallons)	25,283						
46								
47	Median Consumption (gallons)	24,800						
48								
49								
50								
51								
52								
53								
54								
55								
56								
57								

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial (Multifamily)
Rate Code: M3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge: \$	13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block		Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption		
						No.	% of Total	Amount	% of Total	
1	-	-	-	-	-	-	0.00%	-	0.00%	
2	1	-	1,000	-	-	-	0.00%	-	0.00%	
3	1,001	-	2,000	-	-	-	0.00%	-	0.00%	
4	2,001	-	3,000	-	-	-	0.00%	-	0.00%	
5	3,001	-	4,000	-	-	-	0.00%	-	0.00%	
6	4,001	-	5,000	-	-	-	0.00%	-	0.00%	
7	5,001	-	6,000	-	-	-	0.00%	-	0.00%	
8	6,001	-	7,000	-	-	-	0.00%	-	0.00%	
9	7,001	-	8,000	-	-	-	0.00%	-	0.00%	
10	8,001	-	9,000	1	8,690	8,690	1	8.33%	8,690	2.70%
11	9,001	-	10,000	-	-	-	1	8.33%	8,690	2.70%
12	10,001	-	11,000	-	-	-	1	8.33%	8,690	2.70%
13	11,001	-	12,000	-	-	-	1	8.33%	8,690	2.70%
14	12,001	-	13,000	-	-	-	1	8.33%	8,690	2.70%
15	13,001	-	14,000	1	13,430	13,430	2	16.67%	22,120	6.87%
16	14,001	-	15,000	1	14,650	14,650	3	25.00%	36,770	11.42%
17	15,001	-	16,000	1	15,310	15,310	4	33.33%	52,080	16.17%
18	16,001	-	17,000	-	-	-	4	33.33%	52,080	16.17%
19	17,001	-	18,000	1	17,290	17,290	5	41.67%	69,370	21.54%
20	18,001	-	19,000	-	-	-	5	41.67%	69,370	21.54%
21	19,001	-	20,000	1	19,010	19,010	6	50.00%	88,380	27.45%
22	20,001	-	21,000	-	-	-	6	50.00%	88,380	27.45%
23	21,001	-	22,000	-	-	-	6	50.00%	88,380	27.45%
24	22,001	-	23,000	-	-	-	6	50.00%	88,380	27.45%
25	23,001	-	24,000	-	-	-	6	50.00%	88,380	27.45%
26	24,001	-	25,000	1	24,350	24,350	7	58.33%	112,730	35.01%
27	25,001	-	26,000	-	-	-	7	58.33%	112,730	35.01%
28	26,001	-	27,000	-	-	-	7	58.33%	112,730	35.01%
29	27,001	-	28,000	-	-	-	7	58.33%	112,730	35.01%
30	28,001	-	29,000	-	-	-	7	58.33%	112,730	35.01%
31	29,001	-	30,000	-	-	-	7	58.33%	112,730	35.01%
32	30,001	-	31,000	-	-	-	7	58.33%	112,730	35.01%
33	31,001	-	32,000	-	-	-	7	58.33%	112,730	35.01%
34	32,001	-	33,000	-	-	-	7	58.33%	112,730	35.01%
35	33,001	-	34,000	-	-	-	7	58.33%	112,730	35.01%
36	34,001	-	35,000	-	-	-	7	58.33%	112,730	35.01%
37	35,001	-	36,000	-	-	-	7	58.33%	112,730	35.01%
38	36,001	-	37,000	-	-	-	7	58.33%	112,730	35.01%
39	37,001	-	38,000	-	-	-	7	58.33%	112,730	35.01%
40	38,001	-	39,000	1	38,430	38,430	8	66.67%	151,160	46.95%
41	39,001	-	40,000	1	39,580	39,580	9	75.00%	190,740	59.24%
42	40,001	-	41,000	1	40,030	40,030	10	83.33%	230,770	71.67%
43	41,001	-	42,000	1	41,870	41,870	11	91.67%	272,640	84.68%
44	42,001	-	43,000	-	-	-	11	91.67%	272,640	84.68%
45	43,001	-	44,000	-	-	-	11	91.67%	272,640	84.68%
46	44,001	-	45,000	-	-	-	11	91.67%	272,640	84.68%
47	45,001	-	46,000	-	-	-	11	91.67%	272,640	84.68%
48	46,001	-	47,000	-	-	-	11	91.67%	272,640	84.68%
49	47,001	-	48,000	-	-	-	11	91.67%	272,640	84.68%
50	48,001	-	49,000	-	-	-	11	91.67%	272,640	84.68%
51	49,001	-	50,000	1	49,340	49,340	12	100.00%	321,980	100.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RU-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial (Multifamily)
Rate Code: M3

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers					
Tier One Breakover (M gal):			Base Charge: \$	31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge: \$	13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
52								
53	Totals	12		321,980	12		321,980	
54	1/2 of Prorated Bills ¹							
55	Equivalent Bills	12						
56								
57								
58	Average Number of Customers	1						
59								
60	Average Consumption (gallons)	26,832						
61								
62	Median Consumption (gallons)	19,010						
63								
64								
65								
66								
67								
68								
69								
70								
71								
72								

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Multifamily)
Rate Code: M5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:	\$ 99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge:	\$ 44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	22	-	-	22	5.56%	-	0.00%
2	1 - 1,000	8	1,000	8,000	30	7.58%	8,000	0.01%
3	1,001 - 2,000	4	2,000	8,000	34	8.59%	16,000	0.03%
4	2,001 - 3,000	1	3,000	3,000	35	8.84%	19,000	0.03%
5	3,001 - 4,000	-	-	-	35	8.84%	19,000	0.03%
6	4,001 - 5,000	-	-	-	35	8.84%	19,000	0.03%
7	5,001 - 6,000	2	5,910	11,820	37	9.34%	30,820	0.06%
8	6,001 - 7,000	1	6,300	6,300	38	9.60%	37,120	0.07%
9	7,001 - 8,000	1	7,720	7,720	39	9.85%	44,840	0.08%
10	8,001 - 9,000	1	8,140	8,140	40	10.10%	52,980	0.09%
11	9,001 - 10,000	1	9,900	9,900	41	10.35%	62,880	0.11%
12	10,001 - 11,000	-	-	-	41	10.35%	62,880	0.11%
13	11,001 - 12,000	-	-	-	41	10.35%	62,880	0.11%
14	12,001 - 13,000	1	12,520	12,520	42	10.61%	75,400	0.13%
15	13,001 - 14,000	1	13,740	13,740	43	10.86%	89,140	0.16%
16	14,001 - 15,000	-	-	-	43	10.86%	89,140	0.16%
17	15,001 - 16,000	-	-	-	43	10.86%	89,140	0.16%
18	16,001 - 17,000	4	16,420	65,680	47	11.87%	154,820	0.28%
19	17,001 - 18,000	5	17,206	86,030	52	13.13%	240,850	0.43%
20	18,001 - 19,000	5	18,376	91,880	57	14.39%	332,730	0.60%
21	19,001 - 20,000	1	19,290	19,290	58	14.65%	352,020	0.63%
22	20,001 - 21,000	-	-	-	58	14.65%	352,020	0.63%
23	21,001 - 22,000	1	21,870	21,870	59	14.90%	373,890	0.67%
24	22,001 - 23,000	3	22,547	67,640	62	15.66%	441,530	0.79%
25	23,001 - 24,000	2	23,345	46,690	64	16.16%	488,220	0.87%
26	24,001 - 25,000	1	24,340	24,340	65	16.41%	512,560	0.92%
27	25,001 - 26,000	2	25,575	51,150	67	16.92%	563,710	1.01%
28	26,001 - 27,000	2	26,520	53,040	69	17.42%	616,750	1.10%
29	27,001 - 28,000	1	27,730	27,730	70	17.68%	644,480	1.15%
30	28,001 - 29,000	1	28,940	28,940	71	17.93%	673,420	1.20%
31	29,001 - 30,000	2	29,270	58,540	73	18.43%	731,960	1.31%
32	30,001 - 31,000	3	30,313	90,940	76	19.19%	822,900	1.47%
33	31,001 - 32,000	4	31,378	125,510	80	20.20%	948,410	1.70%
34	32,001 - 33,000	3	32,290	96,870	83	20.96%	1,045,280	1.87%
35	33,001 - 34,000	-	-	-	83	20.96%	1,045,280	1.87%
36	34,001 - 35,000	2	34,555	69,110	85	21.46%	1,114,390	1.99%
37	35,001 - 36,000	-	-	-	85	21.46%	1,114,390	1.99%
38	36,001 - 37,000	1	36,380	36,380	86	21.72%	1,150,770	2.06%
39	37,001 - 38,000	1	37,670	37,670	87	21.97%	1,188,440	2.13%
40	38,001 - 39,000	5	38,400	192,000	92	23.23%	1,380,440	2.47%
41	39,001 - 40,000	3	39,773	119,320	95	23.99%	1,499,760	2.68%
42	40,001 - 41,000	6	40,713	244,280	101	25.51%	1,744,040	3.12%
43	41,001 - 42,000	7	41,390	289,730	108	27.27%	2,033,770	3.64%
44	42,001 - 43,000	8	42,534	340,270	116	29.29%	2,374,040	4.25%
45	43,001 - 44,000	3	43,643	130,930	119	30.05%	2,504,970	4.48%
46	44,001 - 45,000	8	44,719	357,750	127	32.07%	2,862,720	5.12%
47	45,001 - 46,000	5	45,534	227,670	132	33.33%	3,090,390	5.53%
48	46,001 - 47,000	3	46,393	139,180	135	34.09%	3,229,570	5.78%
49	47,001 - 48,000	7	47,600	333,200	142	35.86%	3,562,770	6.37%
50	48,001 - 49,000	4	48,700	194,800	146	36.87%	3,757,570	6.72%
51	49,001 - 50,000	4	49,690	198,760	150	37.88%	3,956,330	7.08%
52	50,001 - 51,000	4	50,280	201,120	154	38.89%	4,157,450	7.44%
53	51,001 - 52,000	4	51,680	206,720	158	39.90%	4,364,170	7.81%

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT4
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Class: Commercial (Multifamily)
 Rate Code: M5

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 99.00	\$ 112.00
Tier One Breakover (M gal):			Arsenic Surcharge:	\$ 44.06	\$ 44.06
Tier Two Breakover (M gal):	95	95	Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	3	52,413	157,240	161	40.66%	4,521,410	8.09%
55	53,001 - 54,000	5	53,448	267,240	166	41.92%	4,788,650	8.57%
56	54,001 - 55,000	3	54,553	163,660	169	42.68%	4,952,310	8.86%
57	55,001 - 56,000	2	55,755	111,510	171	43.18%	5,063,820	9.06%
58	56,001 - 57,000	2	56,795	113,590	173	43.69%	5,177,410	9.26%
59	57,001 - 58,000	3	57,473	172,420	176	44.44%	5,349,830	9.57%
60	58,001 - 59,000	3	58,707	176,120	179	45.20%	5,525,950	9.89%
61	59,001 - 60,000	2	59,830	119,660	181	45.71%	5,645,610	10.10%
62	60,001 - 61,000	3	60,707	182,120	184	46.46%	5,827,730	10.43%
63	61,001 - 62,000	6	61,570	369,420	190	47.98%	6,197,150	11.09%
64	62,001 - 63,000	1	62,520	62,520	191	48.23%	6,259,670	11.20%
65	63,001 - 64,000	3	63,387	190,160	194	48.99%	6,449,830	11.54%
66	64,001 - 65,000	2	64,420	128,840	196	49.49%	6,578,670	11.77%
67	65,001 - 66,000	1	65,080	65,080	197	49.75%	6,643,750	11.88%
68	66,001 - 67,000	3	66,673	200,020	200	50.51%	6,843,770	12.24%
69	67,001 - 68,000	2	67,520	135,040	202	51.01%	6,978,810	12.48%
70	68,001 - 69,000	2	68,920	137,840	204	51.52%	7,116,650	12.73%
71	69,001 - 70,000	2	69,415	138,830	206	52.02%	7,255,480	12.98%
72	70,001 - 71,000	1	70,320	70,320	207	52.27%	7,325,800	13.10%
73	71,001 - 72,000	1	71,640	71,640	208	52.53%	7,397,440	13.23%
74	72,001 - 73,000	3	72,500	217,500	211	53.28%	7,614,940	13.62%
75	73,001 - 74,000	-	-	-	211	53.28%	7,614,940	13.62%
76	74,001 - 75,000	2	74,450	148,900	213	53.79%	7,763,840	13.89%
77	75,001 - 76,000	3	75,220	225,660	216	54.55%	7,989,500	14.29%
78	76,001 - 77,000	1	76,560	76,560	217	54.80%	8,066,060	14.43%
79	77,001 - 78,000	1	77,710	77,710	218	55.05%	8,143,770	14.57%
80	78,001 - 79,000	1	78,220	78,220	219	55.30%	8,221,990	14.71%
81	79,001 - 80,000	1	79,170	79,170	220	55.56%	8,301,160	14.85%
82	80,001 - 81,000	2	80,355	160,710	222	56.06%	8,461,870	15.14%
83	81,001 - 82,000	3	81,407	244,220	225	56.82%	8,706,090	15.57%
84	82,001 - 83,000	1	82,030	82,030	226	57.07%	8,788,120	15.72%
85	83,001 - 84,000	-	-	-	226	57.07%	8,788,120	15.72%
86	84,001 - 85,000	1	84,320	84,320	227	57.32%	8,872,440	15.87%
87	85,001 - 86,000	-	-	-	227	57.32%	8,872,440	15.87%
88	86,001 - 87,000	1	87,000	87,000	228	57.58%	8,959,440	16.03%
89	87,001 - 88,000	1	87,380	87,380	229	57.83%	9,046,820	16.18%
90	88,001 - 89,000	-	-	-	229	57.83%	9,046,820	16.18%
91	89,001 - 90,000	1	89,190	89,190	230	58.08%	9,136,010	16.34%
92	90,001 - 91,000	1	90,460	90,460	231	58.33%	9,226,470	16.51%
93	91,001 - 92,000	2	91,335	182,670	233	58.84%	9,409,140	16.83%
94	92,001 - 93,000	-	-	-	233	58.84%	9,409,140	16.83%
95	93,001 - 94,000	2	93,565	187,130	235	59.34%	9,596,270	17.17%
96	94,001 - 95,000	1	95,000	95,000	236	59.60%	9,691,270	17.34%
97	95,001 - 96,000	-	-	-	236	59.60%	9,691,270	17.34%
98	96,001 - 97,000	1	96,450	96,450	237	59.85%	9,787,720	17.51%
99	97,001 - 98,000	-	-	-	237	59.85%	9,787,720	17.51%
100	98,001 - 99,000	1	98,600	98,600	238	60.10%	9,886,320	17.69%
101	99,001 - 100,000	-	-	-	238	60.10%	9,886,320	17.69%
102	101,530 - 101,530	1	101,530	101,530	239	60.35%	9,987,850	17.87%
103	102,070 - 102,070	1	102,070	102,070	240	60.61%	10,089,920	18.05%
104	102,370 - 102,370	1	102,370	102,370	241	60.86%	10,192,290	18.23%
105	103,000 - 103,000	1	103,000	103,000	242	61.11%	10,295,290	18.42%
106	104,000 - 104,000	1	104,000	104,000	243	61.36%	10,399,290	18.60%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Multifamily)
Rate Code: M5

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers					
Tier One Breakover (M gal):			Base Charge: \$	99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge: \$	44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	104,580 - 104,580	1	104,580	104,580	244	61.62%	10,503,870	18.79%
108	107,550 - 107,550	1	107,550	107,550	245	61.87%	10,611,420	18.98%
109	109,770 - 109,770	1	109,770	109,770	246	62.12%	10,721,190	19.18%
110	110,990 - 110,990	1	110,990	110,990	247	62.37%	10,832,180	19.38%
111	113,000 - 113,000	1	113,000	113,000	248	62.63%	10,945,180	19.58%
112	113,160 - 113,160	1	113,160	113,160	249	62.88%	11,058,340	19.78%
113	114,330 - 114,330	1	114,330	114,330	250	63.13%	11,172,670	19.99%
114	117,070 - 117,070	1	117,070	117,070	251	63.38%	11,289,740	20.20%
115	120,170 - 120,170	1	120,170	120,170	252	63.64%	11,409,910	20.41%
116	124,400 - 124,400	1	124,400	124,400	253	63.89%	11,534,310	20.63%
117	126,980 - 126,980	1	126,980	126,980	254	64.14%	11,661,290	20.86%
118	127,000 - 127,000	1	127,000	127,000	255	64.39%	11,788,290	21.09%
119	127,900 - 127,900	1	127,900	127,900	256	64.65%	11,916,190	21.32%
120	129,680 - 129,680	1	129,680	129,680	257	64.90%	12,045,870	21.55%
121	132,600 - 132,600	1	132,600	132,600	258	65.15%	12,178,470	21.79%
122	132,700 - 132,700	1	132,700	132,700	259	65.40%	12,311,170	22.02%
123	133,790 - 133,790	1	133,790	133,790	260	65.66%	12,444,960	22.26%
124	134,300 - 134,300	1	134,300	134,300	261	65.91%	12,579,260	22.50%
125	138,000 - 138,000	1	138,000	138,000	262	66.16%	12,717,260	22.75%
126	139,510 - 139,510	1	139,510	139,510	263	66.41%	12,856,770	23.00%
127	140,470 - 140,470	1	140,470	140,470	264	66.67%	12,997,240	23.25%
128	142,190 - 142,190	1	142,190	142,190	265	66.92%	13,139,430	23.50%
129	145,940 - 145,940	1	145,940	145,940	266	67.17%	13,285,370	23.77%
130	147,300 - 147,300	1	147,300	147,300	267	67.42%	13,432,670	24.03%
131	148,000 - 148,000	1	148,000	148,000	268	67.68%	13,580,670	24.29%
132	148,980 - 148,980	1	148,980	148,980	269	67.93%	13,729,650	24.56%
133	149,040 - 149,040	1	149,040	149,040	270	68.18%	13,878,690	24.83%
134	149,060 - 149,060	1	149,060	149,060	271	68.43%	14,027,750	25.09%
135	149,400 - 149,400	1	149,400	149,400	272	68.69%	14,177,150	25.36%
136	150,060 - 150,060	1	150,060	150,060	273	68.94%	14,327,210	25.63%
137	151,670 - 151,670	1	151,670	151,670	274	69.19%	14,478,880	25.90%
138	151,920 - 151,920	1	151,920	151,920	275	69.44%	14,630,800	26.17%
139	153,410 - 153,410	1	153,410	153,410	276	69.70%	14,784,210	26.45%
140	154,070 - 154,070	1	154,070	154,070	277	69.95%	14,938,280	26.72%
141	154,650 - 154,650	1	154,650	154,650	278	70.20%	15,092,930	27.00%
142	156,570 - 156,570	1	156,570	156,570	279	70.45%	15,249,500	27.28%
143	157,700 - 157,700	1	157,700	157,700	280	70.71%	15,407,200	27.56%
144	158,100 - 158,100	1	158,100	158,100	281	70.96%	15,565,300	27.84%
145	158,900 - 158,900	1	158,900	158,900	282	71.21%	15,724,200	28.13%
146	159,330 - 159,330	1	159,330	159,330	283	71.46%	15,883,530	28.41%
147	160,000 - 160,000	1	160,000	160,000	284	71.72%	16,043,530	28.70%
148	161,210 - 161,210	1	161,210	161,210	285	71.97%	16,204,740	28.99%
149	162,200 - 162,200	1	162,200	162,200	286	72.22%	16,366,940	29.28%
150	162,990 - 162,990	1	162,990	162,990	287	72.47%	16,529,930	29.57%
151	163,500 - 163,500	1	163,500	163,500	288	72.73%	16,693,430	29.86%
152	164,800 - 164,800	1	164,800	164,800	289	72.98%	16,858,230	30.16%
153	166,610 - 166,610	1	166,610	166,610	290	73.23%	17,024,840	30.46%
154	172,960 - 172,960	1	172,960	172,960	291	73.48%	17,197,800	30.76%
155	174,340 - 174,340	1	174,340	174,340	292	73.74%	17,372,140	31.08%
156	174,430 - 174,430	1	174,430	174,430	293	73.99%	17,546,570	31.39%
157	178,230 - 178,230	1	178,230	178,230	294	74.24%	17,724,800	31.71%
158	180,330 - 180,330	1	180,330	180,330	295	74.49%	17,905,130	32.03%
159	182,000 - 182,000	1	182,000	182,000	296	74.75%	18,087,130	32.36%

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT4
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Class: Commercial (Multifamily)
 Rate Code: M5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge: \$	44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
160	184,000 - 184,000	1	184,000	184,000	297	75.00%	18,271,130	32.68%
161	184,210 - 184,210	1	184,210	184,210	298	75.25%	18,455,340	33.01%
162	184,740 - 184,740	1	184,740	184,740	299	75.51%	18,640,080	33.34%
163	186,010 - 186,010	1	186,010	186,010	300	75.76%	18,826,090	33.68%
164	186,800 - 186,800	1	186,800	186,800	301	76.01%	19,012,890	34.01%
165	187,030 - 187,030	1	187,030	187,030	302	76.26%	19,199,920	34.35%
166	189,200 - 189,200	1	189,200	189,200	303	76.52%	19,389,120	34.68%
167	189,500 - 189,500	1	189,500	189,500	304	76.77%	19,578,620	35.02%
168	192,000 - 192,000	1	192,000	192,000	305	77.02%	19,770,620	35.37%
169	194,810 - 194,810	1	194,810	194,810	306	77.27%	19,965,430	35.72%
170	195,200 - 195,200	1	195,200	195,200	307	77.53%	20,160,630	36.06%
171	198,820 - 198,820	1	198,820	198,820	308	77.78%	20,359,450	36.42%
172	199,390 - 199,390	1	199,390	199,390	309	78.03%	20,558,840	36.78%
173	200,670 - 200,670	1	200,670	200,670	310	78.28%	20,759,510	37.14%
174	200,820 - 200,820	1	200,820	200,820	311	78.54%	20,960,330	37.50%
175	207,470 - 207,470	1	207,470	207,470	312	78.79%	21,167,800	37.87%
176	211,500 - 211,500	1	211,500	211,500	313	79.04%	21,379,300	38.24%
177	211,880 - 211,880	1	211,880	211,880	314	79.29%	21,591,180	38.62%
178	213,220 - 213,220	1	213,220	213,220	315	79.55%	21,804,400	39.01%
179	213,500 - 213,500	1	213,500	213,500	316	79.80%	22,017,900	39.39%
180	214,400 - 214,400	1	214,400	214,400	317	80.05%	22,232,300	39.77%
181	219,500 - 219,500	1	219,500	219,500	318	80.30%	22,451,800	40.16%
182	220,490 - 220,490	1	220,490	220,490	319	80.56%	22,672,290	40.56%
183	220,870 - 220,870	1	220,870	220,870	320	80.81%	22,893,160	40.95%
184	221,360 - 221,360	1	221,360	221,360	321	81.06%	23,114,520	41.35%
185	222,940 - 222,940	1	222,940	222,940	322	81.31%	23,337,460	41.75%
186	228,730 - 228,730	1	228,730	228,730	323	81.57%	23,566,190	42.16%
187	229,320 - 229,320	1	229,320	229,320	324	81.82%	23,795,510	42.57%
188	229,980 - 229,980	1	229,980	229,980	325	82.07%	24,025,490	42.98%
189	230,560 - 230,560	1	230,560	230,560	326	82.32%	24,256,050	43.39%
190	231,000 - 231,000	1	231,000	231,000	327	82.58%	24,487,050	43.80%
191	231,000 - 231,000	1	231,000	231,000	328	82.83%	24,718,050	44.22%
192	232,000 - 232,000	1	232,000	232,000	329	83.08%	24,950,050	44.63%
193	232,630 - 232,630	1	232,630	232,630	330	83.33%	25,182,680	45.05%
194	233,000 - 233,000	1	233,000	233,000	331	83.59%	25,415,680	45.47%
195	238,010 - 238,010	1	238,010	238,010	332	83.84%	25,653,690	45.89%
196	241,000 - 241,000	1	241,000	241,000	333	84.09%	25,894,690	46.32%
197	241,550 - 241,550	1	241,550	241,550	334	84.34%	26,136,240	46.75%
198	243,750 - 243,750	1	243,750	243,750	335	84.60%	26,379,990	47.19%
199	245,040 - 245,040	1	245,040	245,040	336	84.85%	26,625,030	47.63%
200	251,030 - 251,030	1	251,030	251,030	337	85.10%	26,876,060	48.08%
201	252,000 - 252,000	1	252,000	252,000	338	85.35%	27,128,060	48.53%
202	253,000 - 253,000	1	253,000	253,000	339	85.61%	27,381,060	48.98%
203	260,810 - 260,810	1	260,810	260,810	340	85.86%	27,641,870	49.45%
204	261,290 - 261,290	1	261,290	261,290	341	86.11%	27,903,160	49.92%
205	261,580 - 261,580	1	261,580	261,580	342	86.36%	28,164,740	50.38%
206	261,690 - 261,690	1	261,690	261,690	343	86.62%	28,426,430	50.85%
207	261,850 - 261,850	1	261,850	261,850	344	86.87%	28,688,280	51.32%
208	264,090 - 264,090	1	264,090	264,090	345	87.12%	28,952,370	51.79%
209	264,910 - 264,910	1	264,910	264,910	346	87.37%	29,217,280	52.27%
210	264,990 - 264,990	1	264,990	264,990	347	87.63%	29,482,270	52.74%
211	265,000 - 265,000	1	265,000	265,000	348	87.88%	29,747,270	53.21%
212	265,550 - 265,550	1	265,550	265,550	349	88.13%	30,012,820	53.69%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Multifamily)
Rate Code: M5

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 99.00	\$ 112.00
Tier One Breakover (M gal):			Arsenic Surcharge:	\$ 44.06	\$ 44.06
Tier Two Breakover (M gal):	95	95	Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
213	267,360 - 267,360	1	267,360	267,360	350	88.38%	30,280,180	54.17%
214	270,250 - 270,250	1	270,250	270,250	351	88.64%	30,550,430	54.65%
215	271,780 - 271,780	1	271,780	271,780	352	88.89%	30,822,210	55.14%
216	271,970 - 271,970	1	271,970	271,970	353	89.14%	31,094,180	55.62%
217	274,520 - 274,520	1	274,520	274,520	354	89.39%	31,368,700	56.11%
218	276,520 - 276,520	1	276,520	276,520	355	89.65%	31,645,220	56.61%
219	279,290 - 279,290	1	279,290	279,290	356	89.90%	31,924,510	57.11%
220	282,790 - 282,790	1	282,790	282,790	357	90.15%	32,207,300	57.61%
221	283,740 - 283,740	1	283,740	283,740	358	90.40%	32,491,040	58.12%
222	290,450 - 290,450	1	290,450	290,450	359	90.66%	32,781,490	58.64%
223	293,530 - 293,530	1	293,530	293,530	360	90.91%	33,075,020	59.17%
224	302,230 - 302,230	1	302,230	302,230	361	91.16%	33,377,250	59.71%
225	302,590 - 302,590	1	302,590	302,590	362	91.41%	33,679,840	60.25%
226	306,750 - 306,750	1	306,750	306,750	363	91.67%	33,986,590	60.80%
227	309,180 - 309,180	1	309,180	309,180	364	91.92%	34,295,770	61.35%
228	315,580 - 315,580	1	315,580	315,580	365	92.17%	34,611,350	61.92%
229	319,520 - 319,520	1	319,520	319,520	366	92.42%	34,930,870	62.49%
230	320,530 - 320,530	1	320,530	320,530	367	92.68%	35,251,400	63.06%
231	336,200 - 336,200	1	336,200	336,200	368	92.93%	35,587,600	63.66%
232	338,920 - 338,920	1	338,920	338,920	369	93.18%	35,926,520	64.27%
233	340,500 - 340,500	1	340,500	340,500	370	93.43%	36,267,020	64.88%
234	349,130 - 349,130	1	349,130	349,130	371	93.69%	36,616,150	65.50%
235	355,090 - 355,090	1	355,090	355,090	372	93.94%	36,971,240	66.14%
236	357,170 - 357,170	1	357,170	357,170	373	94.19%	37,328,410	66.78%
237	369,000 - 369,000	1	369,000	369,000	374	94.44%	37,697,410	67.44%
238	369,600 - 369,600	1	369,600	369,600	375	94.70%	38,067,010	68.10%
239	372,080 - 372,080	1	372,080	372,080	376	94.95%	38,439,090	68.76%
240	381,960 - 381,960	1	381,960	381,960	377	95.20%	38,821,050	69.45%
241	388,980 - 388,980	1	388,980	388,980	378	95.45%	39,210,030	70.14%
242	389,000 - 389,000	1	389,000	389,000	379	95.71%	39,599,030	70.84%
243	403,820 - 403,820	1	403,820	403,820	380	95.96%	40,002,850	71.56%
244	407,920 - 407,920	1	407,920	407,920	381	96.21%	40,410,770	72.29%
245	429,240 - 429,240	1	429,240	429,240	382	96.46%	40,840,010	73.06%
246	494,990 - 494,990	1	494,990	494,990	383	96.72%	41,335,000	73.94%
247	531,000 - 531,000	1	531,000	531,000	384	96.97%	41,866,000	74.89%
248	692,000 - 692,000	1	692,000	692,000	385	97.22%	42,558,000	76.13%
249	751,000 - 751,000	1	751,000	751,000	386	97.47%	43,309,000	77.47%
250	847,000 - 847,000	1	847,000	847,000	387	97.73%	44,156,000	78.99%
251	885,000 - 885,000	1	885,000	885,000	388	97.98%	45,041,000	80.57%
252	##### - #####	1	1,071,000	1,071,000	389	98.23%	46,112,000	82.49%
253	##### - #####	1	1,098,000	1,098,000	390	98.48%	47,210,000	84.45%
254	##### - #####	1	1,174,000	1,174,000	391	98.74%	48,384,000	86.55%
255	##### - #####	1	1,188,000	1,188,000	392	98.99%	49,572,000	88.68%
256	##### - #####	1	1,355,000	1,355,000	393	99.24%	50,927,000	91.10%
257	##### - #####	1	1,436,000	1,436,000	394	99.49%	52,363,000	93.67%
258	##### - #####	1	1,687,000	1,687,000	395	99.75%	54,050,000	96.69%
259	##### - #####	1	1,851,000	1,851,000	396	100.00%	55,901,000	100.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RU-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Multifamily)
Rate Code: M5

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers					
Tier One Breakover (M gal):			Base Charge:	\$ 99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge:	\$ 44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
260								
261	Totals	396		55,901,000	396		55,901,000	
262	1/2 of Prorated Bills ¹							
263	Equivalent Bills	396						
264								
265								
266	Average Number of Customers	33						
267								
268	Average Consumption (gallons)	141,164						
269								
270	Median Consumption (gallons)	65,611						
271								
272								
273								
274								
275								
276								
277								
278								
279								
280								

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 5/8" x 3/4"
Class: Commercial
Rate Code: C1

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	12.40	\$ 14.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge: \$	5.51	\$ 5.51
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	14	-	-	14	17.72%	-	0.00%
2	1 - 1,000	16	404	6,470	30	37.97%	6,470	5.90%
3	1,001 - 2,000	26	1,506	39,150	56	70.89%	45,620	41.58%
4	2,001 - 3,000	16	2,379	38,070	72	91.14%	83,690	76.28%
5	3,001 - 4,000	5	3,424	17,120	77	97.47%	100,810	91.88%
6	4,001 - 5,000	2	4,455	8,910	79	100.00%	109,720	100.00%
7	5,001 - 6,000	-	-	-	79	100.00%	109,720	100.00%
8	6,001 - 7,000	-	-	-	79	100.00%	109,720	100.00%
9	7,001 - 8,000	-	-	-	79	100.00%	109,720	100.00%
10	8,001 - 9,000	-	-	-	79	100.00%	109,720	100.00%
11	9,001 - 10,000	-	-	-	79	100.00%	109,720	100.00%
12	10,001 - 11,000	-	-	-	79	100.00%	109,720	100.00%
13	11,001 - 12,000	-	-	-	79	100.00%	109,720	100.00%
14	12,001 - 13,000	-	-	-	79	100.00%	109,720	100.00%
15	13,001 - 14,000	-	-	-	79	100.00%	109,720	100.00%
16	14,001 - 15,000	-	-	-	79	100.00%	109,720	100.00%
17	15,001 - 16,000	-	-	-	79	100.00%	109,720	100.00%
18	16,001 - 17,000	-	-	-	79	100.00%	109,720	100.00%
19	17,001 - 18,000	-	-	-	79	100.00%	109,720	100.00%
20	18,001 - 19,000	-	-	-	79	100.00%	109,720	100.00%
21	19,001 - 20,000	-	-	-	79	100.00%	109,720	100.00%
22	20,001 - 21,000	-	-	-	79	100.00%	109,720	100.00%
23	21,001 - 22,000	-	-	-	79	100.00%	109,720	100.00%
24	22,001 - 23,000	-	-	-	79	100.00%	109,720	100.00%
25	23,001 - 24,000	-	-	-	79	100.00%	109,720	100.00%
26	24,001 - 25,000	-	-	-	79	100.00%	109,720	100.00%
27	25,001 - 26,000	-	-	-	79	100.00%	109,720	100.00%
28	26,001 - 27,000	-	-	-	79	100.00%	109,720	100.00%
29	27,001 - 28,000	-	-	-	79	100.00%	109,720	100.00%
30	28,001 - 29,000	-	-	-	79	100.00%	109,720	100.00%
31								
32	Totals	79		109,720	79		109,720	
33	1/2 of Prorated Bills ¹							
34	Equivalent Bills	79						

34	Equivalent Bills	<u>79</u>		Current Rates		Proposed Rates	
35				Units	Revenue	Units	Revenue
36			Base Charge	79	\$ 980	79	\$ 1,106
37	Average Number of Customers	<u>7</u>	Arsenic Surcharge	79	435	79	435
38			<u>Usage (gallons)</u>				
39	Average Consumption (gallons)	<u>1,389</u>	Tier One	-	\$ -	-	\$ -
40			Tier Two	109,720	268	109,720	303
41	Median Consumption (gallons)	<u>807</u>	Tier Three	-	-	-	-
42			Usage Totals	109,720		109,720	
43			Revenue Totals		\$ 1,683		\$ 1,844

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days. When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 3/4"
Class: Commercial
Rate Code: C2

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	18.60	\$ 21.00
Tier Two Breakover (M gal):	10	10	Arsenic Surcharge: \$	8.26	\$ 8.26
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	-	-	-	-	0.00%	-	0.00%
2	1 -	1,000	12	500	6,000	25.00%	6,000	2.23%
3	1,001 -	2,000	6	1,758	10,550	37.50%	16,550	6.15%
4	2,001 -	3,000	6	2,403	14,420	50.00%	30,970	11.51%
5	3,001 -	4,000	1	3,070	3,070	52.08%	34,040	12.65%
6	4,001 -	5,000	5	4,440	22,200	62.50%	56,240	20.90%
7	5,001 -	6,000	1	5,380	5,380	64.58%	61,620	22.90%
8	6,001 -	7,000	2	6,585	13,170	68.75%	74,790	27.80%
9	7,001 -	8,000	3	7,463	22,390	75.00%	97,180	36.12%
10	8,001 -	9,000	5	8,480	42,400	85.42%	139,580	51.88%
11	9,001 -	10,000	1	9,680	9,680	87.50%	149,260	55.47%
12	10,001 -	11,000	-	-	-	87.50%	149,260	55.47%
13	11,001 -	12,000	-	-	-	87.50%	149,260	55.47%
14	12,001 -	13,000	-	-	-	87.50%	149,260	55.47%
15	13,001 -	14,000	1	13,750	13,750	89.58%	163,010	60.58%
16	14,001 -	15,000	1	14,720	14,720	91.67%	177,730	66.06%
17	15,001 -	16,000	-	-	-	91.67%	177,730	66.06%
18	16,001 -	17,000	-	-	-	91.67%	177,730	66.06%
19	17,001 -	18,000	-	-	-	91.67%	177,730	66.06%
20	18,001 -	19,000	-	-	-	91.67%	177,730	66.06%
21	19,001 -	20,000	1	19,530	19,530	93.75%	197,260	73.31%
22	20,001 -	21,000	1	20,600	20,600	95.83%	217,860	80.97%
23	21,001 -	22,000	-	-	-	95.83%	217,860	80.97%
24	22,001 -	23,000	-	-	-	95.83%	217,860	80.97%
25	23,001 -	24,000	-	-	-	95.83%	217,860	80.97%
26	24,001 -	25,000	1	24,420	24,420	97.92%	242,280	90.05%
27	25,001 -	26,000	-	-	-	97.92%	242,280	90.05%
28	26,001 -	27,000	1	26,780	26,780	100.00%	269,060	100.00%
29	27,001 -	28,000	-	-	-	100.00%	269,060	100.00%
30	28,001 -	29,000	-	-	-	100.00%	269,060	100.00%
31								
32	Totals		48	269,060	48		269,060	

1/2 of Prorated Bills¹

Equivalent Bills 48

34	Equivalent Bills	48			Current Rates		Proposed Rates	
35					Units	Revenue	Units	Revenue
36				Base Charge	48	\$ 893	48	\$ 1,008
37	Average Number of Customers	4		Arsenic Surcharge	48	396	48	396
38				Usage (gallons)				
39	Average Consumption (gallons)	5,605		Tier One	-	\$ -	-	\$ -
40				Tier Two	209,260	511	209,260	578
41	Median Consumption (gallons)	3,017		Tier Three	59,800	188	59,800	213
42				Usage Totals	269,060		269,060	
43				Revenue Totals		\$ 1,988		\$ 2,195

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial
Rate Code: C3

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):		
Tier Two Breakover (M gal):	23	23
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge:	\$ 31.00	\$ 35.00
Arsenic Surcharge:	\$ 13.77	\$ 13.77
Tier One Rate:		
Tier Two Rate:	\$ 2.44	\$ 2.76
Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	2	-	-	2	1.39%	-	0.00%
2	1 -	16	461	7,380	18	12.50%	7,380	0.15%
3	1,001 -	4	1,615	6,460	22	15.28%	13,840	0.28%
4	2,001 -	13	2,367	30,770	35	24.31%	44,610	0.90%
5	3,001 -	4	3,373	13,490	39	27.08%	58,100	1.17%
6	4,001 -	6	4,448	26,690	45	31.25%	84,790	1.70%
7	5,001 -	7	5,594	39,160	52	36.11%	123,950	2.49%
8	6,001 -	2	6,530	13,060	54	37.50%	137,010	2.75%
9	7,001 -	6	7,543	45,260	60	41.67%	182,270	3.66%
10	8,001 -	3	8,450	25,350	63	43.75%	207,620	4.17%
11	9,001 -	2	9,385	18,770	65	45.14%	226,390	4.54%
12	10,001 -	1	10,940	10,940	66	45.83%	237,330	4.76%
13	11,001 -	-	-	-	66	45.83%	237,330	4.76%
14	12,001 -	1	12,520	12,520	67	46.53%	249,850	5.02%
15	13,001 -	1	13,230	13,230	68	47.22%	263,080	5.28%
16	14,001 -	3	14,827	44,480	71	49.31%	307,560	6.17%
17	15,001 -	2	15,400	30,800	73	50.69%	338,360	6.79%
18	16,001 -	3	16,867	50,600	76	52.78%	388,960	7.81%
19	17,001 -	6	17,453	104,720	82	56.94%	493,680	9.91%
20	18,001 -	4	18,600	74,400	86	59.72%	568,080	11.40%
21	19,001 -	4	19,310	77,240	90	62.50%	645,320	12.95%
22	20,001 -	3	20,450	61,350	93	64.58%	706,670	14.18%
23	21,001 -	4	21,515	86,060	97	67.36%	792,730	15.91%
24	22,001 -	2	22,380	44,760	99	68.75%	837,490	16.81%
25	23,001 -	5	23,382	116,910	104	72.22%	954,400	19.16%
26	24,001 -	2	24,285	48,570	106	73.61%	1,002,970	20.13%
27	25,001 -	1	25,420	25,420	107	74.31%	1,028,390	20.64%
28	26,001 -	-	-	-	107	74.31%	1,028,390	20.64%
29	27,001 -	-	-	-	107	74.31%	1,028,390	20.64%
30	28,001 -	-	-	-	107	74.31%	1,028,390	20.64%
31	29,001 -	-	-	-	107	74.31%	1,028,390	20.64%
32	30,001 -	-	-	-	107	74.31%	1,028,390	20.64%
33	31,001 -	1	31,260	31,260	108	75.00%	1,059,650	21.27%
34	32,001 -	1	32,850	32,850	109	75.69%	1,092,500	21.93%
35	33,001 -	-	-	-	109	75.69%	1,092,500	21.93%
36	34,001 -	1	34,090	34,090	110	76.39%	1,126,590	22.61%
37	35,001 -	-	-	-	110	76.39%	1,126,590	22.61%
38	36,001 -	-	-	-	110	76.39%	1,126,590	22.61%
39	37,001 -	1	37,430	37,430	111	77.08%	1,164,020	23.37%
40	38,001 -	-	-	-	111	77.08%	1,164,020	23.37%
41	39,001 -	-	-	-	111	77.08%	1,164,020	23.37%
42	40,001 -	3	40,430	121,290	114	79.17%	1,285,310	25.80%
43	41,001 -	-	-	-	114	79.17%	1,285,310	25.80%
44	42,001 -	-	-	-	114	79.17%	1,285,310	25.80%
45	43,001 -	-	-	-	114	79.17%	1,285,310	25.80%
46	44,001 -	2	44,385	88,770	116	80.56%	1,374,080	27.58%
47	45,001 -	1	45,400	45,400	117	81.25%	1,419,480	28.49%
48	46,001 -	-	-	-	117	81.25%	1,419,480	28.49%
49	47,001 -	-	-	-	117	81.25%	1,419,480	28.49%
50	48,001 -	1	48,710	48,710	118	81.94%	1,468,190	29.47%
51	49,001 -	-	-	-	118	81.94%	1,468,190	29.47%
52	50,001 -	-	-	-	118	81.94%	1,468,190	29.47%
53	51,001 -	-	-	-	118	81.94%	1,468,190	29.47%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLI-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial
Rate Code: C3

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):		
Tier Two Breakover (M gal):	23	23
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge:	\$ 31.00	\$ 35.00
Arsenic Surcharge:	\$ 13.77	\$ 13.77
Tier One Rate:		
Tier Two Rate:	\$ 2.44	\$ 2.76
Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-		-	118	81.94%	1,468,190	29.47%
55	53,001 - 54,000	1	53,150	53,150	119	82.64%	1,521,340	30.54%
56	54,001 - 55,000	2	54,550	109,100	121	84.03%	1,630,440	32.73%
57	55,001 - 56,000	-		-	121	84.03%	1,630,440	32.73%
58	56,001 - 57,000	-		-	121	84.03%	1,630,440	32.73%
59	57,001 - 58,000	2	57,795	115,590	123	85.42%	1,746,030	35.05%
60	58,001 - 59,000	-		-	123	85.42%	1,746,030	35.05%
61	59,001 - 60,000	-		-	123	85.42%	1,746,030	35.05%
62	60,001 - 61,000	-		-	123	85.42%	1,746,030	35.05%
63	61,001 - 62,000	1	61,870	61,870	124	86.11%	1,807,900	36.29%
64	62,001 - 63,000	-		-	124	86.11%	1,807,900	36.29%
65	63,001 - 64,000	1	63,290	63,290	125	86.81%	1,871,190	37.56%
66	64,001 - 65,000	-		-	125	86.81%	1,871,190	37.56%
67	65,001 - 66,000	-		-	125	86.81%	1,871,190	37.56%
68	66,001 - 67,000	1	66,100	66,100	126	87.50%	1,937,290	38.89%
69	67,001 - 68,000	-		-	126	87.50%	1,937,290	38.89%
70	68,001 - 69,000	2	68,355	136,710	128	88.89%	2,074,000	41.63%
71	69,001 - 70,000	-		-	128	88.89%	2,074,000	41.63%
72	70,001 - 71,000	-		-	128	88.89%	2,074,000	41.63%
73	71,001 - 72,000	-		-	128	88.89%	2,074,000	41.63%
74	72,001 - 73,000	1	72,150	72,150	129	89.58%	2,146,150	43.08%
75	73,001 - 74,000	-		-	129	89.58%	2,146,150	43.08%
76	74,001 - 75,000	-		-	129	89.58%	2,146,150	43.08%
77	75,001 - 76,000	-		-	129	89.58%	2,146,150	43.08%
78	76,001 - 77,000	1	76,260	76,260	130	90.28%	2,222,410	44.61%
79	77,001 - 78,000	-		-	130	90.28%	2,222,410	44.61%
80	78,001 - 79,000	-		-	130	90.28%	2,222,410	44.61%
81	79,001 - 80,000	-		-	130	90.28%	2,222,410	44.61%
82	80,001 - 81,000	1	80,280	80,280	131	90.97%	2,302,690	46.22%
83	81,001 - 82,000	-		-	131	90.97%	2,302,690	46.22%
84	82,001 - 83,000	-		-	131	90.97%	2,302,690	46.22%
85	83,001 - 84,000	-		-	131	90.97%	2,302,690	46.22%
86	84,001 - 85,000	-		-	131	90.97%	2,302,690	46.22%
87	85,001 - 86,000	-		-	131	90.97%	2,302,690	46.22%
88	86,001 - 87,000	-		-	131	90.97%	2,302,690	46.22%
89	87,001 - 88,000	-		-	131	90.97%	2,302,690	46.22%
90	88,001 - 89,000	-		-	131	90.97%	2,302,690	46.22%
91	89,001 - 90,000	-		-	131	90.97%	2,302,690	46.22%
92	90,001 - 91,000	-		-	131	90.97%	2,302,690	46.22%
93	91,001 - 92,000	-		-	131	90.97%	2,302,690	46.22%
94	92,001 - 93,000	-		-	131	90.97%	2,302,690	46.22%
95	93,001 - 94,000	-		-	131	90.97%	2,302,690	46.22%
96	94,001 - 95,000	-		-	131	90.97%	2,302,690	46.22%
97	95,001 - 96,000	-		-	131	90.97%	2,302,690	46.22%
98	96,001 - 97,000	-		-	131	90.97%	2,302,690	46.22%
99	97,001 - 98,000	-		-	131	90.97%	2,302,690	46.22%
100	98,001 - 99,000	1	98,860	98,860	132	91.67%	2,401,550	48.21%
101	99,001 - 100,000	1	99,830	99,830	133	92.36%	2,501,380	50.21%
102	149,660 - 149,660	1	149,660	149,660	134	93.06%	2,651,040	53.21%
103	151,470 - 151,470	1	151,470	151,470	135	93.75%	2,802,510	56.25%
104	162,510 - 162,510	1	162,510	162,510	136	94.44%	2,965,020	59.52%
105	172,040 - 172,040	1	172,040	172,040	137	95.14%	3,137,060	62.97%
106	172,170 - 172,170	1	172,170	172,170	138	95.83%	3,309,230	66.43%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial
Rate Code: C3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:	\$ 31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge:	\$ 13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	172,540 - 172,540	1	172,540	172,540	139	96.53%	3,481,770	69.89%
108	204,030 - 204,030	1	204,030	204,030	140	97.22%	3,685,800	73.99%
109	252,980 - 252,980	1	252,980	252,980	141	97.92%	3,938,780	79.06%
110	320,910 - 320,910	1	320,910	320,910	142	98.61%	4,259,690	85.50%
111	327,730 - 327,730	1	327,730	327,730	143	99.31%	4,587,420	92.08%
112	394,400 - 394,400	1	394,400	394,400	144	100.00%	4,981,820	100.00%
113								
114	Totals	144		4,981,820	144		4,981,820	

115 1/2 of Prorated Bills¹

116 Equivalent Bills 144

117				Units	Revenue	Units	Revenue
118			Base Charge	144	\$ 4,464	144	\$ 5,040
119	Average Number of Customers	12	Arsenic Surcharge	144	1,983	144	1,983
120			Usage (gallons)				
121	Average Consumption (gallons)	34,596	Tier One	-	\$ -	-	\$ -
122			Tier Two	1,872,490	4,569	1,872,490	5,168
123	Median Consumption (gallons)	15,113	Tier Three	3,109,330	9,794	3,109,330	11,069
124			Usage Totals	4,981,820		4,981,820	
125			Revenue Totals		\$ 20,810		\$ 23,260

127 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
128 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
129 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
130 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
131 to avoid double counting billing units during months when account ownership changes. The reduction is based
132 on the actual number of meters in this class discontinuing and establishing service during the test year.
133

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial
Rate Code: C4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	62.00	\$ 70.00
Tier Two Breakover (M gal):	58	58	Arsenic Surcharge: \$	27.54	\$ 27.54
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block		Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills		Cumulative Consumption		
						No.	% of Total	Amount	% of Total	
1	-	-	-	-	-	-	0.00%	-	0.00%	
2	1	-	1,000	13	384	4,990	13	13.40%	4,990	0.16%
3	1,001	-	2,000	1	1,230	1,230	14	14.43%	6,220	0.20%
4	2,001	-	3,000	-	-	-	14	14.43%	6,220	0.20%
5	3,001	-	4,000	-	-	-	14	14.43%	6,220	0.20%
6	4,001	-	5,000	1	4,900	4,900	15	15.46%	11,120	0.35%
7	5,001	-	6,000	1	6,000	6,000	16	16.49%	17,120	0.54%
8	6,001	-	7,000	2	6,450	12,900	18	18.56%	30,020	0.95%
9	7,001	-	8,000	4	7,625	30,500	22	22.68%	60,520	1.92%
10	8,001	-	9,000	1	8,600	8,600	23	23.71%	69,120	2.19%
11	9,001	-	10,000	2	9,750	19,500	25	25.77%	88,620	2.81%
12	10,001	-	11,000	-	-	-	25	25.77%	88,620	2.81%
13	11,001	-	12,000	-	-	-	25	25.77%	88,620	2.81%
14	12,001	-	13,000	-	-	-	25	25.77%	88,620	2.81%
15	13,001	-	14,000	2	13,300	26,600	27	27.84%	115,220	3.65%
16	14,001	-	15,000	-	-	-	27	27.84%	115,220	3.65%
17	15,001	-	16,000	3	15,433	46,300	30	30.93%	161,520	5.12%
18	16,001	-	17,000	4	16,625	66,500	34	35.05%	228,020	7.23%
19	17,001	-	18,000	-	-	-	34	35.05%	228,020	7.23%
20	18,001	-	19,000	-	-	-	34	35.05%	228,020	7.23%
21	19,001	-	20,000	4	19,450	77,800	38	39.18%	305,820	9.70%
22	20,001	-	21,000	1	21,000	21,000	39	40.21%	326,820	10.36%
23	21,001	-	22,000	3	21,433	64,300	42	43.30%	391,120	12.40%
24	22,001	-	23,000	-	-	-	42	43.30%	391,120	12.40%
25	23,001	-	24,000	5	23,580	117,900	47	48.45%	509,020	16.14%
26	24,001	-	25,000	-	-	-	47	48.45%	509,020	16.14%
27	25,001	-	26,000	1	25,700	25,700	48	49.48%	534,720	16.95%
28	26,001	-	27,000	-	-	-	48	49.48%	534,720	16.95%
29	27,001	-	28,000	-	-	-	48	49.48%	534,720	16.95%
30	28,001	-	29,000	-	-	-	48	49.48%	534,720	16.95%
31	29,001	-	30,000	1	29,200	29,200	49	50.52%	563,920	17.88%
32	30,001	-	31,000	4	30,400	121,600	53	54.64%	685,520	21.73%
33	31,001	-	32,000	1	31,900	31,900	54	55.67%	717,420	22.75%
34	32,001	-	33,000	-	-	-	54	55.67%	717,420	22.75%
35	33,001	-	34,000	1	33,400	33,400	55	56.70%	750,820	23.80%
36	34,001	-	35,000	2	34,550	69,100	57	58.76%	819,920	26.00%
37	35,001	-	36,000	5	35,680	178,400	62	63.92%	998,320	31.65%
38	36,001	-	37,000	3	36,433	109,300	65	67.01%	1,107,620	35.12%
39	37,001	-	38,000	1	37,900	37,900	66	68.04%	1,145,520	36.32%
40	38,001	-	39,000	1	38,900	38,900	67	69.07%	1,184,420	37.55%
41	39,001	-	40,000	-	-	-	67	69.07%	1,184,420	37.55%
42	40,001	-	41,000	2	40,810	81,620	69	71.13%	1,266,040	40.14%
43	41,001	-	42,000	1	41,600	41,600	70	72.16%	1,307,640	41.46%
44	42,001	-	43,000	1	42,700	42,700	71	73.20%	1,350,340	42.81%
45	43,001	-	44,000	1	43,200	43,200	72	74.23%	1,393,540	44.18%
46	44,001	-	45,000	3	44,473	133,420	75	77.32%	1,526,960	48.41%
47	45,001	-	46,000	-	-	-	75	77.32%	1,526,960	48.41%
48	46,001	-	47,000	-	-	-	75	77.32%	1,526,960	48.41%
49	47,001	-	48,000	-	-	-	75	77.32%	1,526,960	48.41%
50	48,001	-	49,000	1	48,700	48,700	76	78.35%	1,575,660	49.96%
51	49,001	-	50,000	2	49,355	98,710	78	80.41%	1,674,370	53.09%
52	50,001	-	51,000	1	51,000	51,000	79	81.44%	1,725,370	54.70%
53	51,001	-	52,000	1	51,520	51,520	80	82.47%	1,776,890	56.34%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial
Rate Code: C4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	62.00	\$ 70.00
Tier Two Breakover (M gal):	58	58	Arsenic Surcharge: \$	27.54	\$ 27.54
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-		-	80	82.47%	1,776,890	56.34%
55	53,001 - 54,000	2	53,860	107,720	82	84.54%	1,884,610	59.75%
56	54,001 - 55,000	-		-	82	84.54%	1,884,610	59.75%
57	55,001 - 56,000	-		-	82	84.54%	1,884,610	59.75%
58	56,001 - 57,000	1	56,590	56,590	83	85.57%	1,941,200	61.55%
59	57,001 - 58,000	1	58,000	58,000	84	86.60%	1,999,200	63.38%
60	58,001 - 59,000	-		-	84	86.60%	1,999,200	63.38%
61	59,001 - 60,000	1	59,790	59,790	85	87.63%	2,058,990	65.28%
62	60,001 - 61,000	-		-	85	87.63%	2,058,990	65.28%
63	61,001 - 62,000	1	61,100	61,100	86	88.66%	2,120,090	67.22%
64	62,001 - 63,000	1	62,300	62,300	87	89.69%	2,182,390	69.19%
65	63,001 - 64,000	-		-	87	89.69%	2,182,390	69.19%
66	64,001 - 65,000	1	64,600	64,600	88	90.72%	2,246,990	71.24%
67	65,001 - 66,000	-		-	88	90.72%	2,246,990	71.24%
68	66,001 - 67,000	-		-	88	90.72%	2,246,990	71.24%
69	67,001 - 68,000	-		-	88	90.72%	2,246,990	71.24%
70	68,001 - 69,000	-		-	88	90.72%	2,246,990	71.24%
71	69,001 - 70,000	-		-	88	90.72%	2,246,990	71.24%
72	70,001 - 71,000	-		-	88	90.72%	2,246,990	71.24%
73	71,001 - 72,000	-		-	88	90.72%	2,246,990	71.24%
74	72,001 - 73,000	1	72,300	72,300	89	91.75%	2,319,290	73.53%
75	73,001 - 74,000	-		-	89	91.75%	2,319,290	73.53%
76	74,001 - 75,000	-		-	89	91.75%	2,319,290	73.53%
77	75,001 - 76,000	-		-	89	91.75%	2,319,290	73.53%
78	76,001 - 77,000	-		-	89	91.75%	2,319,290	73.53%
79	77,001 - 78,000	-		-	89	91.75%	2,319,290	73.53%
80	78,001 - 79,000	-		-	89	91.75%	2,319,290	73.53%
81	79,001 - 80,000	1	79,700	79,700	90	92.78%	2,398,990	76.06%
82	80,001 - 81,000	1	80,300	80,300	91	93.81%	2,479,290	78.61%
83	81,001 - 82,000	-		-	91	93.81%	2,479,290	78.61%
84	82,001 - 83,000	-		-	91	93.81%	2,479,290	78.61%
85	83,001 - 84,000	-		-	91	93.81%	2,479,290	78.61%
86	84,001 - 85,000	-		-	91	93.81%	2,479,290	78.61%
87	85,001 - 86,000	-		-	91	93.81%	2,479,290	78.61%
88	86,001 - 87,000	1	86,200	86,200	92	94.85%	2,565,490	81.34%
89	87,001 - 88,000	-		-	92	94.85%	2,565,490	81.34%
90	88,001 - 89,000	-		-	92	94.85%	2,565,490	81.34%
91	89,001 - 90,000	-		-	92	94.85%	2,565,490	81.34%
92	90,001 - 91,000	-		-	92	94.85%	2,565,490	81.34%
93	91,001 - 92,000	-		-	92	94.85%	2,565,490	81.34%
94	92,001 - 93,000	1	92,700	92,700	93	95.88%	2,658,190	84.28%
95	93,001 - 94,000	-		-	93	95.88%	2,658,190	84.28%
96	94,001 - 95,000	-		-	93	95.88%	2,658,190	84.28%
97	95,001 - 96,000	-		-	93	95.88%	2,658,190	84.28%
98	96,001 - 97,000	-		-	93	95.88%	2,658,190	84.28%
99	97,001 - 98,000	-		-	93	95.88%	2,658,190	84.28%
100	98,001 - 99,000	-		-	93	95.88%	2,658,190	84.28%
101	99,001 - 100,000	-		-	93	95.88%	2,658,190	84.28%
102	100,700 - 100,700	1	100,700	100,700	94	96.91%	2,758,890	87.47%
103	102,300 - 102,300	1	102,300	102,300	95	97.94%	2,861,190	90.71%
104	126,700 - 126,700	1	126,700	126,700	96	98.97%	2,987,890	94.73%
105	166,200 - 166,200	1	166,200	166,200	97	100.00%	3,154,090	100.00%
106	-	-			97	100.00%	3,154,090	100.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial
Rate Code: C4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:	\$ 62.00	\$ 70.00
Tier Two Breakover (M gal):	58	58	Arsenic Surcharge:	\$ 27.54	\$ 27.54
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107								
108	Totals	97		3,154,090	97		3,154,090	
109	1/2 of Prorated Bills ¹	(1)						
110	Equivalent Bills	96						
111								
112								
113	Average Number of Customers	8						
114								
115	Average Consumption (gallons)	32,516						
116								
117	Median Consumption (gallons)	22,372						
118								
119								
120								
121								
122								
123								
124								
125								
126								
127								

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial
Rate Code: C5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge: \$	44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	12	-	-	12	11.11%	-	0.00%
2	1 - 1,000	-	-	-	12	11.11%	-	0.00%
3	1,001 - 2,000	2	1,450	2,900	14	12.96%	2,900	0.09%
4	2,001 - 3,000	3	2,833	8,500	17	15.74%	11,400	0.37%
5	3,001 - 4,000	3	3,600	10,800	20	18.52%	22,200	0.72%
6	4,001 - 5,000	4	4,600	18,400	24	22.22%	40,600	1.32%
7	5,001 - 6,000	-	-	-	24	22.22%	40,600	1.32%
8	6,001 - 7,000	2	6,600	13,200	26	24.07%	53,800	1.75%
9	7,001 - 8,000	1	7,600	7,600	27	25.00%	61,400	2.00%
10	8,001 - 9,000	2	8,100	16,200	29	26.85%	77,600	2.52%
11	9,001 - 10,000	1	9,900	9,900	30	27.78%	87,500	2.84%
12	10,001 - 11,000	1	10,600	10,600	31	28.70%	98,100	3.19%
13	11,001 - 12,000	-	-	-	31	28.70%	98,100	3.19%
14	12,001 - 13,000	3	12,700	38,100	34	31.48%	136,200	4.43%
15	13,001 - 14,000	2	13,600	27,200	36	33.33%	163,400	5.31%
16	14,001 - 15,000	4	14,425	57,700	40	37.04%	221,100	7.19%
17	15,001 - 16,000	3	15,500	46,500	43	39.81%	267,600	8.70%
18	16,001 - 17,000	2	16,300	32,600	45	41.67%	300,200	9.76%
19	17,001 - 18,000	3	17,567	52,700	48	44.44%	352,900	11.47%
20	18,001 - 19,000	3	18,733	56,200	51	47.22%	409,100	13.30%
21	19,001 - 20,000	2	19,750	39,500	53	49.07%	448,600	14.59%
22	20,001 - 21,000	3	20,667	62,000	56	51.85%	510,600	16.60%
23	21,001 - 22,000	8	21,388	171,100	64	59.26%	681,700	22.16%
24	22,001 - 23,000	5	22,640	113,200	69	63.89%	794,900	25.84%
25	23,001 - 24,000	1	23,800	23,800	70	64.81%	818,700	26.62%
26	24,001 - 25,000	3	24,467	73,400	73	67.59%	892,100	29.01%
27	25,001 - 26,000	1	25,800	25,800	74	68.52%	917,900	29.84%
28	26,001 - 27,000	2	26,600	53,200	76	70.37%	971,100	31.57%
29	27,001 - 28,000	-	-	-	76	70.37%	971,100	31.57%
30	28,001 - 29,000	-	-	-	76	70.37%	971,100	31.57%
31	29,001 - 30,000	1	29,500	29,500	77	71.30%	1,000,600	32.53%
32	30,001 - 31,000	1	30,900	30,900	78	72.22%	1,031,500	33.54%
33	31,001 - 32,000	1	31,900	31,900	79	73.15%	1,063,400	34.57%
34	32,001 - 33,000	1	32,500	32,500	80	74.07%	1,095,900	35.63%
35	33,001 - 34,000	1	33,300	33,300	81	75.00%	1,129,200	36.71%
36	34,001 - 35,000	-	-	-	81	75.00%	1,129,200	36.71%
37	35,001 - 36,000	-	-	-	81	75.00%	1,129,200	36.71%
38	36,001 - 37,000	-	-	-	81	75.00%	1,129,200	36.71%
39	37,001 - 38,000	-	-	-	81	75.00%	1,129,200	36.71%
40	38,001 - 39,000	1	38,600	38,600	82	75.93%	1,167,800	37.97%
41	39,001 - 40,000	-	-	-	82	75.93%	1,167,800	37.97%
42	40,001 - 41,000	-	-	-	82	75.93%	1,167,800	37.97%
43	41,001 - 42,000	1	42,000	42,000	83	76.85%	1,209,800	39.33%
44	42,001 - 43,000	-	-	-	83	76.85%	1,209,800	39.33%
45	43,001 - 44,000	-	-	-	83	76.85%	1,209,800	39.33%
46	44,001 - 45,000	1	44,800	44,800	84	77.78%	1,254,600	40.79%
47	45,001 - 46,000	1	45,200	45,200	85	78.70%	1,299,800	42.26%
48	46,001 - 47,000	-	-	-	85	78.70%	1,299,800	42.26%
49	47,001 - 48,000	-	-	-	85	78.70%	1,299,800	42.26%
50	48,001 - 49,000	1	48,400	48,400	86	79.63%	1,348,200	43.83%
51	49,001 - 50,000	-	-	-	86	79.63%	1,348,200	43.83%
52	50,001 - 51,000	-	-	-	86	79.63%	1,348,200	43.83%
53	51,001 - 52,000	1	51,500	51,500	87	80.56%	1,399,700	45.51%

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT4
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Class: Commercial
 Rate Code: C5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge: \$	44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-		-	87	80.56%	1,399,700	45.51%
55	53,001 - 54,000	-		-	87	80.56%	1,399,700	45.51%
56	54,001 - 55,000	-		-	87	80.56%	1,399,700	45.51%
57	55,001 - 56,000	1	55,300	55,300	88	81.48%	1,455,000	47.31%
58	56,001 - 57,000	1	56,500	56,500	89	82.41%	1,511,500	49.14%
59	57,001 - 58,000	-		-	89	82.41%	1,511,500	49.14%
60	58,001 - 59,000	4	58,675	234,700	93	86.11%	1,746,200	56.77%
61	59,001 - 60,000	1	59,300	59,300	94	87.04%	1,805,500	58.70%
62	60,001 - 61,000	-		-	94	87.04%	1,805,500	58.70%
63	61,001 - 62,000	1	61,100	61,100	95	87.96%	1,866,600	60.69%
64	62,001 - 63,000	1	62,900	62,900	96	88.89%	1,929,500	62.73%
65	63,001 - 64,000	-		-	96	88.89%	1,929,500	62.73%
66	64,001 - 65,000	1	64,900	64,900	97	89.81%	1,994,400	64.84%
67	65,001 - 66,000	-		-	97	89.81%	1,994,400	64.84%
68	66,001 - 67,000	-		-	97	89.81%	1,994,400	64.84%
69	67,001 - 68,000	-		-	97	89.81%	1,994,400	64.84%
70	68,001 - 69,000	-		-	97	89.81%	1,994,400	64.84%
71	69,001 - 70,000	1	69,020	69,020	98	90.74%	2,063,420	67.09%
72	70,001 - 71,000	-		-	98	90.74%	2,063,420	67.09%
73	71,001 - 72,000	-		-	98	90.74%	2,063,420	67.09%
74	72,001 - 73,000	1	72,800	72,800	99	91.67%	2,136,220	69.46%
75	73,001 - 74,000	-		-	99	91.67%	2,136,220	69.46%
76	74,001 - 75,000	-		-	99	91.67%	2,136,220	69.46%
77	75,001 - 76,000	-		-	99	91.67%	2,136,220	69.46%
78	76,001 - 77,000	-		-	99	91.67%	2,136,220	69.46%
79	77,001 - 78,000	-		-	99	91.67%	2,136,220	69.46%
80	78,001 - 79,000	-		-	99	91.67%	2,136,220	69.46%
81	79,001 - 80,000	-		-	99	91.67%	2,136,220	69.46%
82	80,001 - 81,000	-		-	99	91.67%	2,136,220	69.46%
83	81,001 - 82,000	-		-	99	91.67%	2,136,220	69.46%
84	82,001 - 83,000	1	82,500	82,500	100	92.59%	2,218,720	72.14%
85	83,001 - 84,000	-		-	100	92.59%	2,218,720	72.14%
86	84,001 - 85,000	1	84,430	84,430	101	93.52%	2,303,150	74.88%
87	85,001 - 86,000	-		-	101	93.52%	2,303,150	74.88%
88	86,001 - 87,000	1	86,440	86,440	102	94.44%	2,389,590	77.69%
89	87,001 - 88,000	-		-	102	94.44%	2,389,590	77.69%
90	88,001 - 89,000	-		-	102	94.44%	2,389,590	77.69%
91	89,001 - 90,000	-		-	102	94.44%	2,389,590	77.69%
92	90,001 - 91,000	-		-	102	94.44%	2,389,590	77.69%
93	91,001 - 92,000	-		-	102	94.44%	2,389,590	77.69%
94	92,001 - 93,000	-		-	102	94.44%	2,389,590	77.69%
95	93,001 - 94,000	-		-	102	94.44%	2,389,590	77.69%
96	94,001 - 95,000	-		-	102	94.44%	2,389,590	77.69%
97	95,001 - 96,000	1	95,020	95,020	103	95.37%	2,484,610	80.78%
98	96,001 - 97,000	-		-	103	95.37%	2,484,610	80.78%
99	97,001 - 98,000	-		-	103	95.37%	2,484,610	80.78%
100	98,001 - 99,000	-		-	103	95.37%	2,484,610	80.78%
101	99,001 - 100,000	-		-	103	95.37%	2,484,610	80.78%
102	101,800 - 101,800	1	101,800	101,800	104	96.30%	2,586,410	84.09%
103	110,860 - 110,860	1	110,860	110,860	105	97.22%	2,697,270	87.70%
104	113,100 - 113,100	1	113,100	113,100	106	98.15%	2,810,370	91.37%
105	117,400 - 117,400	1	117,400	117,400	107	99.07%	2,927,770	95.19%
106	147,880 - 147,880	1	147,880	147,880	108	100.00%	3,075,650	100.00%

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Class:	Commercial				Present	Proposed
Rate Code:	C5			Charges	Rates	Rates
	Rate Tiers	Present Rates	Proposed Rates			
				Base Charge:	\$ 99.00	\$ 112.00
				Arsenic Surcharge:	\$ 44.06	\$ 44.06
	Tier One Breakover (M gal):			Tier One Rate:		
	Tier Two Breakover (M gal):	95	95	Tier Two Rate:	\$ 2.44	\$ 2.76
	Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 3.15	\$ 3.56

121 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
122 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
123 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
124 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
125 to avoid double counting billing units during months when account ownership changes. The reduction is based
126 on the actual number of meters in this class discontinuing and establishing service during the test year.
127

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT4
 Schedule H-5
 Witness: Jones

Meter Size: 3"
 Class: Commercial (Construction)
 Rate Code: C6

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:	\$ 198.00	\$ 198.00
Tier Two Breakover (M gal):			Arsenic Surcharge:	\$ 88.12	\$ 88.12
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:		
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	10	-	-	10	47.62%	-	0.00%
2	1 - 1,000	2	200	400	12	57.14%	400	0.05%
3	1,001 - 2,000	3	1,667	5,000	15	71.43%	5,400	0.61%
4	2,001 - 3,000	-	-	-	15	71.43%	5,400	0.61%
5	3,001 - 4,000	-	-	-	15	71.43%	5,400	0.61%
6	4,001 - 5,000	2	4,250	8,500	17	80.95%	13,900	1.57%
7	5,001 - 6,000	-	-	-	17	80.95%	13,900	1.57%
8	6,001 - 7,000	-	-	-	17	80.95%	13,900	1.57%
9	7,001 - 8,000	-	-	-	17	80.95%	13,900	1.57%
10	8,001 - 9,000	-	-	-	17	80.95%	13,900	1.57%
11	9,001 - 10,000	-	-	-	17	80.95%	13,900	1.57%
12	10,001 - 11,000	-	-	-	17	80.95%	13,900	1.57%
13	11,001 - 12,000	-	-	-	17	80.95%	13,900	1.57%
14	12,001 - 13,000	-	-	-	17	80.95%	13,900	1.57%
15	13,001 - 14,000	-	-	-	17	80.95%	13,900	1.57%
16	14,001 - 15,000	-	-	-	17	80.95%	13,900	1.57%
17	15,001 - 16,000	-	-	-	17	80.95%	13,900	1.57%
18	16,001 - 17,000	-	-	-	17	80.95%	13,900	1.57%
19	17,001 - 18,000	-	-	-	17	80.95%	13,900	1.57%
20	18,001 - 19,000	-	-	-	17	80.95%	13,900	1.57%
21	19,001 - 20,000	1	19,700	19,700	18	85.71%	33,600	3.79%
22	20,001 - 21,000	-	-	-	18	85.71%	33,600	3.79%
23	21,001 - 22,000	-	-	-	18	85.71%	33,600	3.79%
24	22,001 - 23,000	-	-	-	18	85.71%	33,600	3.79%
25	23,001 - 24,000	-	-	-	18	85.71%	33,600	3.79%
26	24,001 - 25,000	-	-	-	18	85.71%	33,600	3.79%
27	25,001 - 26,000	-	-	-	18	85.71%	33,600	3.79%
28	26,001 - 27,000	-	-	-	18	85.71%	33,600	3.79%
29	27,001 - 28,000	-	-	-	18	85.71%	33,600	3.79%
30	28,001 - 29,000	-	-	-	18	85.71%	33,600	3.79%
31	29,001 - 30,000	-	-	-	18	85.71%	33,600	3.79%
32	30,001 - 31,000	-	-	-	18	85.71%	33,600	3.79%
33	31,001 - 32,000	-	-	-	18	85.71%	33,600	3.79%
34	32,001 - 33,000	-	-	-	18	85.71%	33,600	3.79%
35	33,001 - 34,000	-	-	-	18	85.71%	33,600	3.79%
36	34,001 - 35,000	-	-	-	18	85.71%	33,600	3.79%
37	35,001 - 36,000	-	-	-	18	85.71%	33,600	3.79%
38	36,001 - 37,000	-	-	-	18	85.71%	33,600	3.79%
39	37,001 - 38,000	-	-	-	18	85.71%	33,600	3.79%
40	38,001 - 39,000	-	-	-	18	85.71%	33,600	3.79%
41	39,001 - 40,000	-	-	-	18	85.71%	33,600	3.79%
42	40,001 - 41,000	-	-	-	18	85.71%	33,600	3.79%
43	41,001 - 42,000	-	-	-	18	85.71%	33,600	3.79%
44	42,001 - 43,000	-	-	-	18	85.71%	33,600	3.79%
45	43,001 - 44,000	-	-	-	18	85.71%	33,600	3.79%
46	44,001 - 45,000	-	-	-	18	85.71%	33,600	3.79%
47	45,001 - 46,000	-	-	-	18	85.71%	33,600	3.79%
48	46,001 - 47,000	-	-	-	18	85.71%	33,600	3.79%
49	47,001 - 48,000	-	-	-	18	85.71%	33,600	3.79%
50	48,001 - 49,000	-	-	-	18	85.71%	33,600	3.79%
51	49,001 - 50,000	-	-	-	18	85.71%	33,600	3.79%
52	50,001 - 51,000	-	-	-	18	85.71%	33,600	3.79%
53	51,001 - 52,000	-	-	-	18	85.71%	33,600	3.79%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 3"
Class: Commercial (Construction)
Rate Code: C6

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	198.00	\$ 198.00
Tier Two Breakover (M gal):			Arsenic Surcharge: \$	88.12	\$ 88.12
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:		
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	18	85.71%	33,600	3.79%
55	53,001 - 54,000	-	-	-	18	85.71%	33,600	3.79%
56	54,001 - 55,000	-	-	-	18	85.71%	33,600	3.79%
57	55,001 - 56,000	-	-	-	18	85.71%	33,600	3.79%
58	56,001 - 57,000	-	-	-	18	85.71%	33,600	3.79%
59	57,001 - 58,000	-	-	-	18	85.71%	33,600	3.79%
60	58,001 - 59,000	-	-	-	18	85.71%	33,600	3.79%
61	59,001 - 60,000	-	-	-	18	85.71%	33,600	3.79%
62	60,001 - 61,000	-	-	-	18	85.71%	33,600	3.79%
63	61,001 - 62,000	-	-	-	18	85.71%	33,600	3.79%
64	62,001 - 63,000	-	-	-	18	85.71%	33,600	3.79%
65	63,001 - 64,000	-	-	-	18	85.71%	33,600	3.79%
66	64,001 - 65,000	-	-	-	18	85.71%	33,600	3.79%
67	65,001 - 66,000	-	-	-	18	85.71%	33,600	3.79%
68	66,001 - 67,000	-	-	-	18	85.71%	33,600	3.79%
69	67,001 - 68,000	-	-	-	18	85.71%	33,600	3.79%
70	68,001 - 69,000	-	-	-	18	85.71%	33,600	3.79%
71	69,001 - 70,000	-	-	-	18	85.71%	33,600	3.79%
72	70,001 - 71,000	-	-	-	18	85.71%	33,600	3.79%
73	71,001 - 72,000	-	-	-	18	85.71%	33,600	3.79%
74	72,001 - 73,000	-	-	-	18	85.71%	33,600	3.79%
75	73,001 - 74,000	-	-	-	18	85.71%	33,600	3.79%
76	74,001 - 75,000	-	-	-	18	85.71%	33,600	3.79%
77	75,001 - 76,000	-	-	-	18	85.71%	33,600	3.79%
78	76,001 - 77,000	-	-	-	18	85.71%	33,600	3.79%
79	77,001 - 78,000	-	-	-	18	85.71%	33,600	3.79%
80	78,001 - 79,000	-	-	-	18	85.71%	33,600	3.79%
81	79,001 - 80,000	-	-	-	18	85.71%	33,600	3.79%
82	80,001 - 81,000	-	-	-	18	85.71%	33,600	3.79%
83	81,001 - 82,000	-	-	-	18	85.71%	33,600	3.79%
84	82,001 - 83,000	-	-	-	18	85.71%	33,600	3.79%
85	83,001 - 84,000	-	-	-	18	85.71%	33,600	3.79%
86	84,001 - 85,000	-	-	-	18	85.71%	33,600	3.79%
87	85,001 - 86,000	-	-	-	18	85.71%	33,600	3.79%
88	86,001 - 87,000	-	-	-	18	85.71%	33,600	3.79%
89	87,001 - 88,000	-	-	-	18	85.71%	33,600	3.79%
90	88,001 - 89,000	-	-	-	18	85.71%	33,600	3.79%
91	89,001 - 90,000	-	-	-	18	85.71%	33,600	3.79%
92	90,001 - 91,000	-	-	-	18	85.71%	33,600	3.79%
93	91,001 - 92,000	-	-	-	18	85.71%	33,600	3.79%
94	92,001 - 93,000	-	-	-	18	85.71%	33,600	3.79%
95	93,001 - 94,000	-	-	-	18	85.71%	33,600	3.79%
96	94,001 - 95,000	-	-	-	18	85.71%	33,600	3.79%
97	95,001 - 96,000	-	-	-	18	85.71%	33,600	3.79%
98	96,001 - 97,000	-	-	-	18	85.71%	33,600	3.79%
99	97,001 - 98,000	-	-	-	18	85.71%	33,600	3.79%
100	98,001 - 99,000	-	-	-	18	85.71%	33,600	3.79%
101	99,001 - 100,000	-	-	-	18	85.71%	33,600	3.79%
102	167,700 - 167,700	1	167,700	167,700	19	90.48%	201,300	22.69%
103	254,200 - 254,200	1	254,200	254,200	20	95.24%	455,500	51.35%
104	431,600 - 431,600	1	431,600	431,600	21	100.00%	887,100	100.00%
105	-	-	-	-	21	100.00%	887,100	100.00%
106	-	-	-	-	21	100.00%	887,100	100.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 3"
Class: Commercial (Construction)
Rate Code: C6

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 198.00	\$ 198.00
Tier One Breakover (M gal):			Arsenic Surcharge:	\$ 88.12	\$ 88.12
Tier Two Breakover (M gal):			Tier One Rate:		
Tier Three Breakover (M gal):	999,999	999,999	Tier Two Rate:		
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107								
108	Totals	21		887,100	21		887,100	
109	1/2 of Prorated Bills ¹	(4)						
110	Equivalent Bills	17						
111								
112								
113	Average Number of Customers	1						
114								
115	Average Consumption (gallons)	42,243						
116								
117	Median Consumption (gallons)	-						
118								
119								
120								
121								
122								
123								
124								
125								
126								
127								

¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial (Irrigation)
Rate Code: I3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge: \$	13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line			Number	Average		Cumulative Bills		Cumulative Consumption		
No.	Block		of Bills by	Consumption	Consumption	No.	% of Total	Amount	% of Total	
			Block	in Block	by Blocks					
1	-	-	-	-	-	-	0.00%	-	0.00%	
2	1	-	1,000	-	-	-	0.00%	-	0.00%	
3	1,001	-	2,000	3	1,713	5,140	3	3.30%	5,140	0.15%
4	2,001	-	3,000	6	2,637	15,820	9	9.89%	20,960	0.60%
5	3,001	-	4,000	6	3,393	20,360	15	16.48%	41,320	1.19%
6	4,001	-	5,000	-	-	-	15	16.48%	41,320	1.19%
7	5,001	-	6,000	6	5,378	32,270	21	23.08%	73,590	2.12%
8	6,001	-	7,000	4	6,350	25,400	25	27.47%	98,990	2.85%
9	7,001	-	8,000	6	7,605	45,630	31	34.07%	144,620	4.16%
10	8,001	-	9,000	-	-	-	31	34.07%	144,620	4.16%
11	9,001	-	10,000	2	9,330	18,660	33	36.26%	163,280	4.70%
12	10,001	-	11,000	-	-	-	33	36.26%	163,280	4.70%
13	11,001	-	12,000	3	11,353	34,060	36	39.56%	197,340	5.68%
14	12,001	-	13,000	1	12,930	12,930	37	40.66%	210,270	6.05%
15	13,001	-	14,000	1	13,830	13,830	38	41.76%	224,100	6.45%
16	14,001	-	15,000	6	14,477	86,860	44	48.35%	310,960	8.95%
17	15,001	-	16,000	2	15,560	31,120	46	50.55%	342,080	9.84%
18	16,001	-	17,000	-	-	-	46	50.55%	342,080	9.84%
19	17,001	-	18,000	2	17,650	35,300	48	52.75%	377,380	10.86%
20	18,001	-	19,000	1	18,410	18,410	49	53.85%	395,790	11.39%
21	19,001	-	20,000	1	19,520	19,520	50	54.95%	415,310	11.95%
22	20,001	-	21,000	1	20,520	20,520	51	56.04%	435,830	12.54%
23	21,001	-	22,000	1	21,030	21,030	52	57.14%	456,860	13.15%
24	22,001	-	23,000	1	22,190	22,190	53	58.24%	479,050	13.79%
25	23,001	-	24,000	-	-	-	53	58.24%	479,050	13.79%
26	24,001	-	25,000	-	-	-	53	58.24%	479,050	13.79%
27	25,001	-	26,000	1	25,520	25,520	54	59.34%	504,570	14.52%
28	26,001	-	27,000	2	26,655	53,310	56	61.54%	557,880	16.05%
29	27,001	-	28,000	-	-	-	56	61.54%	557,880	16.05%
30	28,001	-	29,000	-	-	-	56	61.54%	557,880	16.05%
31	29,001	-	30,000	2	29,395	58,790	58	63.74%	616,670	17.75%
32	30,001	-	31,000	1	30,030	30,030	59	64.84%	646,700	18.61%
33	31,001	-	32,000	-	-	-	59	64.84%	646,700	18.61%
34	32,001	-	33,000	4	32,575	130,300	63	69.23%	777,000	22.36%
35	33,001	-	34,000	2	33,730	67,460	65	71.43%	844,460	24.30%
36	34,001	-	35,000	1	34,210	34,210	66	72.53%	878,670	25.29%
37	35,001	-	36,000	1	35,680	35,680	67	73.63%	914,350	26.31%
38	36,001	-	37,000	1	36,410	36,410	68	74.73%	950,760	27.36%
39	37,001	-	38,000	-	-	-	68	74.73%	950,760	27.36%
40	38,001	-	39,000	1	38,170	38,170	69	75.82%	988,930	28.46%
41	39,001	-	40,000	-	-	-	69	75.82%	988,930	28.46%
42	40,001	-	41,000	-	-	-	69	75.82%	988,930	28.46%
43	41,001	-	42,000	-	-	-	69	75.82%	988,930	28.46%
44	42,001	-	43,000	-	-	-	69	75.82%	988,930	28.46%
45	43,001	-	44,000	1	43,440	43,440	70	76.92%	1,032,370	29.71%
46	44,001	-	45,000	-	-	-	70	76.92%	1,032,370	29.71%
47	45,001	-	46,000	-	-	-	70	76.92%	1,032,370	29.71%
48	46,001	-	47,000	1	46,670	46,670	71	78.02%	1,079,040	31.05%
49	47,001	-	48,000	-	-	-	71	78.02%	1,079,040	31.05%
50	48,001	-	49,000	-	-	-	71	78.02%	1,079,040	31.05%
51	49,001	-	50,000	-	-	-	71	78.02%	1,079,040	31.05%
52	50,001	-	51,000	-	-	-	71	78.02%	1,079,040	31.05%
53	51,001	-	52,000	1	51,790	51,790	72	79.12%	1,130,830	32.54%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RU-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial (Irrigation)
Rate Code: I3

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):		
Tier Two Breakover (M gal):	23	23
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge:	\$ 31.00	\$ 35.00
Arsenic Surcharge:	\$ 13.77	\$ 13.77
Tier One Rate:		
Tier Two Rate:	\$ 2.44	\$ 2.76
Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-		-	72	79.12%	1,130,830	32.54%
55	53,001 - 54,000	1	53,940	53,940	73	80.22%	1,184,770	34.09%
56	54,001 - 55,000	-		-	73	80.22%	1,184,770	34.09%
57	55,001 - 56,000	-		-	73	80.22%	1,184,770	34.09%
58	56,001 - 57,000	-		-	73	80.22%	1,184,770	34.09%
59	57,001 - 58,000	-		-	73	80.22%	1,184,770	34.09%
60	58,001 - 59,000	-		-	73	80.22%	1,184,770	34.09%
61	59,001 - 60,000	1	59,010	59,010	74	81.32%	1,243,780	35.79%
62	60,001 - 61,000	-		-	74	81.32%	1,243,780	35.79%
63	61,001 - 62,000	1	61,060	61,060	75	82.42%	1,304,840	37.55%
64	62,001 - 63,000	-		-	75	82.42%	1,304,840	37.55%
65	63,001 - 64,000	-		-	75	82.42%	1,304,840	37.55%
66	64,001 - 65,000	-		-	75	82.42%	1,304,840	37.55%
67	65,001 - 66,000	-		-	75	82.42%	1,304,840	37.55%
68	66,001 - 67,000	1	66,840	66,840	76	83.52%	1,371,680	39.47%
69	67,001 - 68,000	-		-	76	83.52%	1,371,680	39.47%
70	68,001 - 69,000	-		-	76	83.52%	1,371,680	39.47%
71	69,001 - 70,000	2	69,815	139,630	78	85.71%	1,511,310	43.49%
72	70,001 - 71,000	-		-	78	85.71%	1,511,310	43.49%
73	71,001 - 72,000	-		-	78	85.71%	1,511,310	43.49%
74	72,001 - 73,000	1	72,950	72,950	79	86.81%	1,584,260	45.59%
75	73,001 - 74,000	1	73,390	73,390	80	87.91%	1,657,650	47.70%
76	74,001 - 75,000	-		-	80	87.91%	1,657,650	47.70%
77	75,001 - 76,000	-		-	80	87.91%	1,657,650	47.70%
78	76,001 - 77,000	-		-	80	87.91%	1,657,650	47.70%
79	77,001 - 78,000	1	78,000	78,000	81	89.01%	1,735,650	49.95%
80	78,001 - 79,000	-		-	81	89.01%	1,735,650	49.95%
81	79,001 - 80,000	-		-	81	89.01%	1,735,650	49.95%
82	80,001 - 81,000	-		-	81	89.01%	1,735,650	49.95%
83	81,001 - 82,000	-		-	81	89.01%	1,735,650	49.95%
84	82,001 - 83,000	-		-	81	89.01%	1,735,650	49.95%
85	83,001 - 84,000	-		-	81	89.01%	1,735,650	49.95%
86	84,001 - 85,000	-		-	81	89.01%	1,735,650	49.95%
87	85,001 - 86,000	-		-	81	89.01%	1,735,650	49.95%
88	86,001 - 87,000	-		-	81	89.01%	1,735,650	49.95%
89	87,001 - 88,000	-		-	81	89.01%	1,735,650	49.95%
90	88,001 - 89,000	-		-	81	89.01%	1,735,650	49.95%
91	89,001 - 90,000	-		-	81	89.01%	1,735,650	49.95%
92	90,001 - 91,000	-		-	81	89.01%	1,735,650	49.95%
93	91,001 - 92,000	1	91,380	91,380	82	90.11%	1,827,030	52.58%
94	92,001 - 93,000	-		-	82	90.11%	1,827,030	52.58%
95	93,001 - 94,000	-		-	82	90.11%	1,827,030	52.58%
96	94,001 - 95,000	-		-	82	90.11%	1,827,030	52.58%
97	95,001 - 96,000	-		-	82	90.11%	1,827,030	52.58%
98	96,001 - 97,000	-		-	82	90.11%	1,827,030	52.58%
99	97,001 - 98,000	-		-	82	90.11%	1,827,030	52.58%
100	98,001 - 99,000	-		-	82	90.11%	1,827,030	52.58%
101	99,001 - 100,000	-		-	82	90.11%	1,827,030	52.58%
102	115,690 - 115,690	1	115,690	115,690	83	91.21%	1,942,720	55.91%
103	139,700 - 139,700	1	139,700	139,700	84	92.31%	2,082,420	59.93%
104	143,080 - 143,080	1	143,080	143,080	85	93.41%	2,225,500	64.04%
105	196,210 - 196,210	1	196,210	196,210	86	94.51%	2,421,710	69.69%
106	198,720 - 198,720	1	198,720	198,720	87	95.60%	2,620,430	75.41%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1"
Class: Commercial (Irrigation)
Rate Code: I3

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	31.00	\$ 35.00
Tier Two Breakover (M gal):	23	23	Arsenic Surcharge: \$	13.77	\$ 13.77
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	201,030 - 201,030	1	201,030	201,030	88	96.70%	2,821,460	81.19%
108	205,330 - 205,330	1	205,330	205,330	89	97.80%	3,026,790	87.10%
109	215,840 - 215,840	1	215,840	215,840	90	98.90%	3,242,630	93.32%
110	232,290 - 232,290	1	232,290	232,290	91	100.00%	3,474,920	100.00%
111								
112	Totals	91		3,474,920	91		3,474,920	

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
113	1/2 of Prorated Bills ¹							
114	Equivalent Bills	91						
115								
116								
117	Average Number of Customers	8						
118								
119	Average Consumption (gallons)	38,186						
120								
121	Median Consumption (gallons)	14,638						
122								
123								
124								

125 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
126 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
127 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
128 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
129 to avoid double counting billing units during months when account ownership changes. The reduction is based
130 on the actual number of meters in this class discontinuing and establishing service during the test year.
131

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial (Irrigation)
Rate Code: I4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	62.00	\$ 70.00
Tier Two Breakover (M gal):	58	58	Arsenic Surcharge: \$	27.54	\$ 27.54
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	4	-	-	4	11.11%	-	0.00%
2	1 - 1,000	-	-	-	4	11.11%	-	0.00%
3	1,001 - 2,000	1	1,800	1,800	5	13.89%	1,800	0.05%
4	2,001 - 3,000	3	2,467	7,400	8	22.22%	9,200	0.27%
5	3,001 - 4,000	2	3,400	6,800	10	27.78%	16,000	0.47%
6	4,001 - 5,000	-	-	-	10	27.78%	16,000	0.47%
7	5,001 - 6,000	-	-	-	10	27.78%	16,000	0.47%
8	6,001 - 7,000	1	6,100	6,100	11	30.56%	22,100	0.65%
9	7,001 - 8,000	1	7,100	7,100	12	33.33%	29,200	0.86%
10	8,001 - 9,000	-	-	-	12	33.33%	29,200	0.86%
11	9,001 - 10,000	1	9,200	9,200	13	36.11%	38,400	1.14%
12	10,001 - 11,000	-	-	-	13	36.11%	38,400	1.14%
13	11,001 - 12,000	-	-	-	13	36.11%	38,400	1.14%
14	12,001 - 13,000	-	-	-	13	36.11%	38,400	1.14%
15	13,001 - 14,000	2	13,500	27,000	15	41.67%	65,400	1.94%
16	14,001 - 15,000	-	-	-	15	41.67%	65,400	1.94%
17	15,001 - 16,000	-	-	-	15	41.67%	65,400	1.94%
18	16,001 - 17,000	1	16,300	16,300	16	44.44%	81,700	2.42%
19	17,001 - 18,000	-	-	-	16	44.44%	81,700	2.42%
20	18,001 - 19,000	-	-	-	16	44.44%	81,700	2.42%
21	19,001 - 20,000	-	-	-	16	44.44%	81,700	2.42%
22	20,001 - 21,000	-	-	-	16	44.44%	81,700	2.42%
23	21,001 - 22,000	-	-	-	16	44.44%	81,700	2.42%
24	22,001 - 23,000	1	23,000	23,000	17	47.22%	104,700	3.10%
25	23,001 - 24,000	-	-	-	17	47.22%	104,700	3.10%
26	24,001 - 25,000	-	-	-	17	47.22%	104,700	3.10%
27	25,001 - 26,000	1	25,900	25,900	18	50.00%	130,600	3.87%
28	26,001 - 27,000	-	-	-	18	50.00%	130,600	3.87%
29	27,001 - 28,000	-	-	-	18	50.00%	130,600	3.87%
30	28,001 - 29,000	-	-	-	18	50.00%	130,600	3.87%
31	29,001 - 30,000	-	-	-	18	50.00%	130,600	3.87%
32	30,001 - 31,000	-	-	-	18	50.00%	130,600	3.87%
33	31,001 - 32,000	1	31,700	31,700	19	52.78%	162,300	4.80%
34	32,001 - 33,000	-	-	-	19	52.78%	162,300	4.80%
35	33,001 - 34,000	-	-	-	19	52.78%	162,300	4.80%
36	34,001 - 35,000	-	-	-	19	52.78%	162,300	4.80%
37	35,001 - 36,000	-	-	-	19	52.78%	162,300	4.80%
38	36,001 - 37,000	-	-	-	19	52.78%	162,300	4.80%
39	37,001 - 38,000	-	-	-	19	52.78%	162,300	4.80%
40	38,001 - 39,000	-	-	-	19	52.78%	162,300	4.80%
41	39,001 - 40,000	-	-	-	19	52.78%	162,300	4.80%
42	40,001 - 41,000	1	40,400	40,400	20	55.56%	202,700	6.00%
43	41,001 - 42,000	-	-	-	20	55.56%	202,700	6.00%
44	42,001 - 43,000	-	-	-	20	55.56%	202,700	6.00%
45	43,001 - 44,000	-	-	-	20	55.56%	202,700	6.00%
46	44,001 - 45,000	-	-	-	20	55.56%	202,700	6.00%
47	45,001 - 46,000	-	-	-	20	55.56%	202,700	6.00%
48	46,001 - 47,000	-	-	-	20	55.56%	202,700	6.00%
49	47,001 - 48,000	-	-	-	20	55.56%	202,700	6.00%
50	48,001 - 49,000	-	-	-	20	55.56%	202,700	6.00%
51	49,001 - 50,000	-	-	-	20	55.56%	202,700	6.00%
52	50,001 - 51,000	-	-	-	20	55.56%	202,700	6.00%
53	51,001 - 52,000	-	-	-	20	55.56%	202,700	6.00%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLI-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial (Irrigation)
Rate Code: I4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	62.00	\$ 70.00
Tier Two Breakover (M gal):	58	58	Arsenic Surcharge: \$	27.54	\$ 27.54
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	20	55.56%	202,700	6.00%
55	53,001 - 54,000	-	-	-	20	55.56%	202,700	6.00%
56	54,001 - 55,000	-	-	-	20	55.56%	202,700	6.00%
57	55,001 - 56,000	-	-	-	20	55.56%	202,700	6.00%
58	56,001 - 57,000	1	56,200	56,200	21	58.33%	258,900	7.66%
59	57,001 - 58,000	-	-	-	21	58.33%	258,900	7.66%
60	58,001 - 59,000	-	-	-	21	58.33%	258,900	7.66%
61	59,001 - 60,000	-	-	-	21	58.33%	258,900	7.66%
62	60,001 - 61,000	-	-	-	21	58.33%	258,900	7.66%
63	61,001 - 62,000	-	-	-	21	58.33%	258,900	7.66%
64	62,001 - 63,000	-	-	-	21	58.33%	258,900	7.66%
65	63,001 - 64,000	1	63,500	63,500	22	61.11%	322,400	9.54%
66	64,001 - 65,000	-	-	-	22	61.11%	322,400	9.54%
67	65,001 - 66,000	-	-	-	22	61.11%	322,400	9.54%
68	66,001 - 67,000	1	66,200	66,200	23	63.89%	388,600	11.50%
69	67,001 - 68,000	-	-	-	23	63.89%	388,600	11.50%
70	68,001 - 69,000	-	-	-	23	63.89%	388,600	11.50%
71	69,001 - 70,000	-	-	-	23	63.89%	388,600	11.50%
72	70,001 - 71,000	-	-	-	23	63.89%	388,600	11.50%
73	71,001 - 72,000	-	-	-	23	63.89%	388,600	11.50%
74	72,001 - 73,000	-	-	-	23	63.89%	388,600	11.50%
75	73,001 - 74,000	-	-	-	23	63.89%	388,600	11.50%
76	74,001 - 75,000	-	-	-	23	63.89%	388,600	11.50%
77	75,001 - 76,000	-	-	-	23	63.89%	388,600	11.50%
78	76,001 - 77,000	-	-	-	23	63.89%	388,600	11.50%
79	77,001 - 78,000	-	-	-	23	63.89%	388,600	11.50%
80	78,001 - 79,000	-	-	-	23	63.89%	388,600	11.50%
81	79,001 - 80,000	-	-	-	23	63.89%	388,600	11.50%
82	80,001 - 81,000	-	-	-	23	63.89%	388,600	11.50%
83	81,001 - 82,000	-	-	-	23	63.89%	388,600	11.50%
84	82,001 - 83,000	1	82,700	82,700	24	66.67%	471,300	13.95%
85	83,001 - 84,000	-	-	-	24	66.67%	471,300	13.95%
86	84,001 - 85,000	-	-	-	24	66.67%	471,300	13.95%
87	85,001 - 86,000	-	-	-	24	66.67%	471,300	13.95%
88	86,001 - 87,000	-	-	-	24	66.67%	471,300	13.95%
89	87,001 - 88,000	-	-	-	24	66.67%	471,300	13.95%
90	88,001 - 89,000	-	-	-	24	66.67%	471,300	13.95%
91	89,001 - 90,000	-	-	-	24	66.67%	471,300	13.95%
92	90,001 - 91,000	-	-	-	24	66.67%	471,300	13.95%
93	91,001 - 92,000	-	-	-	24	66.67%	471,300	13.95%
94	92,001 - 93,000	-	-	-	24	66.67%	471,300	13.95%
95	93,001 - 94,000	-	-	-	24	66.67%	471,300	13.95%
96	94,001 - 95,000	-	-	-	24	66.67%	471,300	13.95%
97	95,001 - 96,000	-	-	-	24	66.67%	471,300	13.95%
98	96,001 - 97,000	-	-	-	24	66.67%	471,300	13.95%
99	97,001 - 98,000	1	97,100	97,100	25	69.44%	568,400	16.83%
100	98,001 - 99,000	-	-	-	25	69.44%	568,400	16.83%
101	99,001 - 100,000	-	-	-	25	69.44%	568,400	16.83%
102	110,200 - 110,200	1	110,200	110,200	26	72.22%	678,600	20.09%
103	130,400 - 130,400	1	130,400	130,400	27	75.00%	809,000	23.95%
104	136,300 - 136,300	1	136,300	136,300	28	77.78%	945,300	27.98%
105	162,700 - 162,700	1	162,700	162,700	29	80.56%	1,108,000	32.80%
106	181,300 - 181,300	1	181,300	181,300	30	83.33%	1,289,300	38.17%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RU-DT4
Schedule H-5
Witness: Jones

Meter Size: 1 1/2"
Class: Commercial (Irrigation)
Rate Code: I4

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
			Base Charge:	\$ 62.00	\$ 70.00
			Arsenic Surcharge:	\$ 27.54	\$ 27.54
Tier One Breakover (M gal):			Tier One Rate:		
Tier Two Breakover (M gal):	58	58	Tier Two Rate:	\$ 2.44	\$ 2.76
Tier Three Breakover (M gal):	999,999	999,999	Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	181,900 - 181,900	1	181,900	181,900	31	86.11%	1,471,200	43.55%
108	207,100 - 207,100	1	207,100	207,100	32	88.89%	1,678,300	49.68%
109	266,100 - 266,100	1	266,100	266,100	33	91.67%	1,944,400	57.56%
110	292,500 - 292,500	1	292,500	292,500	34	94.44%	2,236,900	66.22%
111	537,900 - 537,900	1	537,900	537,900	35	97.22%	2,774,800	82.14%
112	603,200 - 603,200	1	603,200	603,200	36	100.00%	3,378,000	100.00%
113								
114	Totals	36		3,378,000	36		3,378,000	

115	1/2 of Prorated Bills ¹							
116	Equivalent Bills	36						
117								
118								
119	Average Number of Customers	3						
120								
121	Average Consumption (gallons)	93,833						
122								
123	Median Consumption (gallons)	25,900						
124								
125								
126								

	Current Rates	Proposed Rates
	Units Revenue	Units Revenue
Base Charge	36 \$ 2,232	36 \$ 2,520
Arsenic Surcharge	36 991	36 991
Usage (gallons)		
Tier One	- \$ -	- \$ -
Tier Two	1,128,900 2,755	1,128,900 3,116
Tier Three	2,249,100 7,085	2,249,100 8,007
Usage Totals	3,378,000	3,378,000
Revenue Totals	\$ 13,063	\$ 14,634

127 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
128 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
129 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
130 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
131 to avoid double counting billing units during months when account ownership changes. The reduction is based
132 on the actual number of meters in this class discontinuing and establishing service during the test year.
133

Valley Utilities Water Company, Inc.
 Test Year Ended December 31, 2011
 Bill Count

Exhibit: RLJ-DT4
 Schedule H-5
 Witness: Jones

Meter Size: 2"
 Class: Commercial (Irrigation)
 Rate Code: I5

Rate Tiers	Present Rates	Proposed Rates
Tier One Breakover (M gal):		
Tier Two Breakover (M gal):	95	95
Tier Three Breakover (M gal):	999,999	999,999

Charges	Present Rates	Proposed Rates
Base Charge: \$	99.00	\$ 112.00
Arsenic Surcharge: \$	44.06	\$ 44.06
Tier One Rate:		
Tier Two Rate: \$	2.44	\$ 2.76
Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	- - -	1	-	-	1	1.04%	-	0.00%
2	1 - 1,000	1	600	600	2	2.08%	600	0.00%
3	1,001 - 2,000	-	-	-	2	2.08%	600	0.00%
4	2,001 - 3,000	-	-	-	2	2.08%	600	0.00%
5	3,001 - 4,000	2	3,850	7,700	4	4.17%	8,300	0.03%
6	4,001 - 5,000	-	-	-	4	4.17%	8,300	0.03%
7	5,001 - 6,000	1	5,400	5,400	5	5.21%	13,700	0.04%
8	6,001 - 7,000	-	-	-	5	5.21%	13,700	0.04%
9	7,001 - 8,000	2	7,650	15,300	7	7.29%	29,000	0.09%
10	8,001 - 9,000	-	-	-	7	7.29%	29,000	0.09%
11	9,001 - 10,000	1	9,800	9,800	8	8.33%	38,800	0.12%
12	10,001 - 11,000	1	10,800	10,800	9	9.38%	49,600	0.15%
13	11,001 - 12,000	1	11,300	11,300	10	10.42%	60,900	0.19%
14	12,001 - 13,000	-	-	-	10	10.42%	60,900	0.19%
15	13,001 - 14,000	-	-	-	10	10.42%	60,900	0.19%
16	14,001 - 15,000	-	-	-	10	10.42%	60,900	0.19%
17	15,001 - 16,000	-	-	-	10	10.42%	60,900	0.19%
18	16,001 - 17,000	-	-	-	10	10.42%	60,900	0.19%
19	17,001 - 18,000	1	18,000	18,000	11	11.46%	78,900	0.24%
20	18,001 - 19,000	1	18,600	18,600	12	12.50%	97,500	0.30%
21	19,001 - 20,000	-	-	-	12	12.50%	97,500	0.30%
22	20,001 - 21,000	2	20,220	40,440	14	14.58%	137,940	0.42%
23	21,001 - 22,000	-	-	-	14	14.58%	137,940	0.42%
24	22,001 - 23,000	-	-	-	14	14.58%	137,940	0.42%
25	23,001 - 24,000	-	-	-	14	14.58%	137,940	0.42%
26	24,001 - 25,000	-	-	-	14	14.58%	137,940	0.42%
27	25,001 - 26,000	1	25,700	25,700	15	15.63%	163,640	0.50%
28	26,001 - 27,000	1	27,000	27,000	16	16.67%	190,640	0.59%
29	27,001 - 28,000	1	27,800	27,800	17	17.71%	218,440	0.67%
30	28,001 - 29,000	1	28,100	28,100	18	18.75%	246,540	0.76%
31	29,001 - 30,000	-	-	-	18	18.75%	246,540	0.76%
32	30,001 - 31,000	-	-	-	18	18.75%	246,540	0.76%
33	31,001 - 32,000	-	-	-	18	18.75%	246,540	0.76%
34	32,001 - 33,000	-	-	-	18	18.75%	246,540	0.76%
35	33,001 - 34,000	-	-	-	18	18.75%	246,540	0.76%
36	34,001 - 35,000	-	-	-	18	18.75%	246,540	0.76%
37	35,001 - 36,000	2	35,550	71,100	20	20.83%	317,640	0.98%
38	36,001 - 37,000	-	-	-	20	20.83%	317,640	0.98%
39	37,001 - 38,000	-	-	-	20	20.83%	317,640	0.98%
40	38,001 - 39,000	1	38,200	38,200	21	21.88%	355,840	1.10%
41	39,001 - 40,000	-	-	-	21	21.88%	355,840	1.10%
42	40,001 - 41,000	-	-	-	21	21.88%	355,840	1.10%
43	41,001 - 42,000	-	-	-	21	21.88%	355,840	1.10%
44	42,001 - 43,000	-	-	-	21	21.88%	355,840	1.10%
45	43,001 - 44,000	-	-	-	21	21.88%	355,840	1.10%
46	44,001 - 45,000	-	-	-	21	21.88%	355,840	1.10%
47	45,001 - 46,000	1	45,300	45,300	22	22.92%	401,140	1.24%
48	46,001 - 47,000	1	46,200	46,200	23	23.96%	447,340	1.38%
49	47,001 - 48,000	-	-	-	23	23.96%	447,340	1.38%
50	48,001 - 49,000	-	-	-	23	23.96%	447,340	1.38%
51	49,001 - 50,000	-	-	-	23	23.96%	447,340	1.38%
52	50,001 - 51,000	-	-	-	23	23.96%	447,340	1.38%
53	51,001 - 52,000	-	-	-	23	23.96%	447,340	1.38%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Irrigation)
Rate Code: I5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge: \$	44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
54	52,001 - 53,000	-	-	-	23	23.96%	447,340	1.38%
55	53,001 - 54,000	-	-	-	23	23.96%	447,340	1.38%
56	54,001 - 55,000	-	-	-	23	23.96%	447,340	1.38%
57	55,001 - 56,000	-	-	-	23	23.96%	447,340	1.38%
58	56,001 - 57,000	-	-	-	23	23.96%	447,340	1.38%
59	57,001 - 58,000	-	-	-	23	23.96%	447,340	1.38%
60	58,001 - 59,000	-	-	-	23	23.96%	447,340	1.38%
61	59,001 - 60,000	-	-	-	23	23.96%	447,340	1.38%
62	60,001 - 61,000	-	-	-	23	23.96%	447,340	1.38%
63	61,001 - 62,000	2	61,850	123,700	25	26.04%	571,040	1.76%
64	62,001 - 63,000	-	-	-	25	26.04%	571,040	1.76%
65	63,001 - 64,000	-	-	-	25	26.04%	571,040	1.76%
66	64,001 - 65,000	-	-	-	25	26.04%	571,040	1.76%
67	65,001 - 66,000	-	-	-	25	26.04%	571,040	1.76%
68	66,001 - 67,000	-	-	-	25	26.04%	571,040	1.76%
69	67,001 - 68,000	-	-	-	25	26.04%	571,040	1.76%
70	68,001 - 69,000	-	-	-	25	26.04%	571,040	1.76%
71	69,001 - 70,000	-	-	-	25	26.04%	571,040	1.76%
72	70,001 - 71,000	-	-	-	25	26.04%	571,040	1.76%
73	71,001 - 72,000	-	-	-	25	26.04%	571,040	1.76%
74	72,001 - 73,000	1	73,000	73,000	26	27.08%	644,040	1.98%
75	73,001 - 74,000	-	-	-	26	27.08%	644,040	1.98%
76	74,001 - 75,000	-	-	-	26	27.08%	644,040	1.98%
77	75,001 - 76,000	-	-	-	26	27.08%	644,040	1.98%
78	76,001 - 77,000	-	-	-	26	27.08%	644,040	1.98%
79	77,001 - 78,000	-	-	-	26	27.08%	644,040	1.98%
80	78,001 - 79,000	1	78,800	78,800	27	28.13%	722,840	2.23%
81	79,001 - 80,000	-	-	-	27	28.13%	722,840	2.23%
82	80,001 - 81,000	1	81,000	81,000	28	29.17%	803,840	2.48%
83	81,001 - 82,000	-	-	-	28	29.17%	803,840	2.48%
84	82,001 - 83,000	-	-	-	28	29.17%	803,840	2.48%
85	83,001 - 84,000	-	-	-	28	29.17%	803,840	2.48%
86	84,001 - 85,000	-	-	-	28	29.17%	803,840	2.48%
87	85,001 - 86,000	-	-	-	28	29.17%	803,840	2.48%
88	86,001 - 87,000	-	-	-	28	29.17%	803,840	2.48%
89	87,001 - 88,000	-	-	-	28	29.17%	803,840	2.48%
90	88,001 - 89,000	1	88,200	88,200	29	30.21%	892,040	2.75%
91	89,001 - 90,000	-	-	-	29	30.21%	892,040	2.75%
92	90,001 - 91,000	1	90,500	90,500	30	31.25%	982,540	3.03%
93	91,001 - 92,000	-	-	-	30	31.25%	982,540	3.03%
94	92,001 - 93,000	-	-	-	30	31.25%	982,540	3.03%
95	93,001 - 94,000	-	-	-	30	31.25%	982,540	3.03%
96	94,001 - 95,000	2	94,850	189,700	32	33.33%	1,172,240	3.61%
97	95,001 - 96,000	-	-	-	32	33.33%	1,172,240	3.61%
98	96,001 - 97,000	-	-	-	32	33.33%	1,172,240	3.61%
99	97,001 - 98,000	-	-	-	32	33.33%	1,172,240	3.61%
100	98,001 - 99,000	-	-	-	32	33.33%	1,172,240	3.61%
101	99,001 - 100,000	-	-	-	32	33.33%	1,172,240	3.61%
102	106,200 - 106,200	1	106,200	106,200	33	34.38%	1,278,440	3.94%
103	111,000 - 111,000	1	111,000	111,000	34	35.42%	1,389,440	4.28%
104	121,700 - 121,700	1	121,700	121,700	35	36.46%	1,511,140	4.65%
105	129,000 - 129,000	1	129,000	129,000	36	37.50%	1,640,140	5.05%
106	129,900 - 129,900	1	129,900	129,900	37	38.54%	1,770,040	5.45%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLI-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Irrigation)
Rate Code: I5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge: \$	99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge: \$	44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate: \$	2.44	\$ 2.76
			Tier Three Rate: \$	3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
107	130,100 - 130,100	1	130,100	130,100	38	39.58%	1,900,140	5.85%
108	131,100 - 131,100	1	131,100	131,100	39	40.63%	2,031,240	6.26%
109	132,000 - 132,000	1	132,000	132,000	40	41.67%	2,163,240	6.66%
110	135,400 - 135,400	1	135,400	135,400	41	42.71%	2,298,640	7.08%
111	137,100 - 137,100	1	137,100	137,100	42	43.75%	2,435,740	7.50%
112	155,100 - 155,100	1	155,100	155,100	43	44.79%	2,590,840	7.98%
113	173,300 - 173,300	1	173,300	173,300	44	45.83%	2,764,140	8.51%
114	174,200 - 174,200	1	174,200	174,200	45	46.88%	2,938,340	9.05%
115	177,600 - 177,600	1	177,600	177,600	46	47.92%	3,115,940	9.60%
116	184,400 - 184,400	1	184,400	184,400	47	48.96%	3,300,340	10.17%
117	190,000 - 190,000	1	190,000	190,000	48	50.00%	3,490,340	10.75%
118	191,700 - 191,700	1	191,700	191,700	49	51.04%	3,682,040	11.34%
119	193,200 - 193,200	1	193,200	193,200	50	52.08%	3,875,240	11.94%
120	198,000 - 198,000	1	198,000	198,000	51	53.13%	4,073,240	12.55%
121	203,200 - 203,200	1	203,200	203,200	52	54.17%	4,276,440	13.17%
122	208,800 - 208,800	1	208,800	208,800	53	55.21%	4,485,240	13.82%
123	210,900 - 210,900	1	210,900	210,900	54	56.25%	4,696,140	14.47%
124	211,300 - 211,300	1	211,300	211,300	55	57.29%	4,907,440	15.12%
125	216,000 - 216,000	1	216,000	216,000	56	58.33%	5,123,440	15.78%
126	220,900 - 220,900	1	220,900	220,900	57	59.38%	5,344,340	16.46%
127	238,000 - 238,000	1	238,000	238,000	58	60.42%	5,582,340	17.19%
128	243,600 - 243,600	1	243,600	243,600	59	61.46%	5,825,940	17.95%
129	246,600 - 246,600	1	246,600	246,600	60	62.50%	6,072,540	18.70%
130	247,400 - 247,400	1	247,400	247,400	61	63.54%	6,319,940	19.47%
131	258,900 - 258,900	1	258,900	258,900	62	64.58%	6,578,840	20.26%
132	268,700 - 268,700	1	268,700	268,700	63	65.63%	6,847,540	21.09%
133	270,000 - 270,000	1	270,000	270,000	64	66.67%	7,117,540	21.92%
134	291,000 - 291,000	1	291,000	291,000	65	67.71%	7,408,540	22.82%
135	295,100 - 295,100	1	295,100	295,100	66	68.75%	7,703,640	23.73%
136	305,100 - 305,100	1	305,100	305,100	67	69.79%	8,008,740	24.67%
137	306,000 - 306,000	1	306,000	306,000	68	70.83%	8,314,740	25.61%
138	354,000 - 354,000	1	354,000	354,000	69	71.88%	8,668,740	26.70%
139	358,800 - 358,800	1	358,800	358,800	70	72.92%	9,027,540	27.81%
140	389,300 - 389,300	1	389,300	389,300	71	73.96%	9,416,840	29.01%
141	407,700 - 407,700	1	407,700	407,700	72	75.00%	9,824,540	30.26%
142	443,300 - 443,300	1	443,300	443,300	73	76.04%	10,267,840	31.63%
143	443,500 - 443,500	1	443,500	443,500	74	77.08%	10,711,340	32.99%
144	478,400 - 478,400	1	478,400	478,400	75	78.13%	11,189,740	34.47%
145	497,000 - 497,000	1	497,000	497,000	76	79.17%	11,686,740	36.00%
146	515,400 - 515,400	1	515,400	515,400	77	80.21%	12,202,140	37.59%
147	595,400 - 595,400	1	595,400	595,400	78	81.25%	12,797,540	39.42%
148	615,600 - 615,600	1	615,600	615,600	79	82.29%	13,413,140	41.32%
149	639,800 - 639,800	1	639,800	639,800	80	83.33%	14,052,940	43.29%
150	674,400 - 674,400	1	674,400	674,400	81	84.38%	14,727,340	45.36%
151	755,100 - 755,100	1	755,100	755,100	82	85.42%	15,482,440	47.69%
152	790,400 - 790,400	1	790,400	790,400	83	86.46%	16,272,840	50.12%
153	792,200 - 792,200	1	792,200	792,200	84	87.50%	17,065,040	52.56%
154	836,100 - 836,100	1	836,100	836,100	85	88.54%	17,901,140	55.14%
155	881,400 - 881,400	1	881,400	881,400	86	89.58%	18,782,540	57.85%
156	987,000 - 987,000	1	987,000	987,000	87	90.63%	19,769,540	60.89%
157	##### - #####	1	1,172,700	1,172,700	88	91.67%	20,942,240	64.51%
158	##### - #####	1	1,223,300	1,223,300	89	92.71%	22,165,540	68.27%
159	##### - #####	1	1,287,800	1,287,800	90	93.75%	23,453,340	72.24%

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Meter Size: 2"
Class: Commercial (Irrigation)
Rate Code: I5

Rate Tiers	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Tier One Breakover (M gal):			Base Charge:	\$ 99.00	\$ 112.00
Tier Two Breakover (M gal):	95	95	Arsenic Surcharge:	\$ 44.06	\$ 44.06
Tier Three Breakover (M gal):	999,999	999,999	Tier One Rate:		
			Tier Two Rate:	\$ 2.44	\$ 2.76
			Tier Three Rate:	\$ 3.15	\$ 3.56

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
160	##### - #####	1	1,289,600	1,289,600	91	94.79%	24,742,940	76.21%
161	##### - #####	1	1,322,100	1,322,100	92	95.83%	26,065,040	80.29%
162	##### - #####	1	1,369,800	1,369,800	93	96.88%	27,434,840	84.51%
163	##### - #####	1	1,410,800	1,410,800	94	97.92%	28,845,640	88.85%
164	##### - #####	1	1,748,300	1,748,300	95	98.96%	30,593,940	94.24%
165	##### - #####	1	1,871,400	1,871,400	96	100.00%	32,465,340	100.00%
166								
167	Totals	96		32,465,340	96		32,465,340	

168 1/2 of Prorated Bills¹

169 Equivalent Bills 96

170				Units	Revenue	Units	Revenue
171			Base Charge	96	\$ 9,504	96	\$ 10,752
172	Average Number of Customers	8	Arsenic Surcharge	96	4,230	96	4,230
173			Usage (gallons)				
174	Average Consumption (gallons)	338,181	Tier One	-	\$ -	-	\$ -
175			Tier Two	7,252,240	17,695	7,252,240	20,016
176	Median Consumption (gallons)	216,600	Tier Three	25,213,100	79,421	25,213,100	89,759
177			Usage Totals	32,465,340		32,465,340	
178			Revenue Totals		\$ 110,851		\$ 124,757

180 ¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.
181 When homes change ownership during a month, two bills are generated. One for each owner for the portion of
182 the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings
183 will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary
184 to avoid double counting billing units during months when account ownership changes. The reduction is based
185 on the actual number of meters in this class discontinuing and establishing service during the test year.
186

Valley Utilities Water Company, Inc.
Test Year Ended December 31, 2011
Bill Count

Exhibit: RLJ-DT4
Schedule H-5
Witness: Jones

Line Size: 6"
Class: Fire Service
Rate Code: F2

	Present Rates	Proposed Rates	Charges	Present Rates	Proposed Rates
Rate Tiers			Base Charge:	\$ 12.40	\$ 14.00
Tier One Breakover (M gal):	-	-	Arsenic Surcharge:		
Tier Two Breakover (M gal):	-	-	Tier One Rate:		
Tier Three Breakover (M gal):	-	-	Tier Two Rate:		
			Tier Three Rate:		

Line No.	Block	Number of Bills by Block	Average Consumption in Block	Consumption by Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
1	-	-	55	-	55	100.00%	-	-
2	1	1,000	-	-	55	100.00%	-	-
3	1,001	2,000	-	-	55	100.00%	-	-
4	2,001	3,000	-	-	55	100.00%	-	-
5	3,001	4,000	-	-	55	100.00%	-	-
6	4,001	5,000	-	-	55	100.00%	-	-
7	5,001	6,000	-	-	55	100.00%	-	-
8	6,001	7,000	-	-	55	100.00%	-	-
9	7,001	8,000	-	-	55	100.00%	-	-
10	8,001	9,000	-	-	55	100.00%	-	-
11	9,001	10,000	-	-	55	100.00%	-	-
12	10,001	11,000	-	-	55	100.00%	-	-
13	11,001	12,000	-	-	55	100.00%	-	-
14	12,001	13,000	-	-	55	100.00%	-	-
15	13,001	14,000	-	-	55	100.00%	-	-
16	14,001	15,000	-	-	55	100.00%	-	-
17	15,001	16,000	-	-	55	100.00%	-	-
18	16,001	17,000	-	-	55	100.00%	-	-
19	17,001	18,000	-	-	55	100.00%	-	-
20	18,001	19,000	-	-	55	100.00%	-	-
21	19,001	20,000	-	-	55	100.00%	-	-
22	20,001	21,000	-	-	55	100.00%	-	-
23	21,001	22,000	-	-	55	100.00%	-	-
24	22,001	23,000	-	-	55	100.00%	-	-
25	23,001	24,000	-	-	55	100.00%	-	-
26	24,001	25,000	-	-	55	100.00%	-	-
27	25,001	26,000	-	-	55	100.00%	-	-
28	26,001	27,000	-	-	55	100.00%	-	-
29	27,001	28,000	-	-	55	100.00%	-	-
30	28,001	29,000	-	-	55	100.00%	-	-
31								
32	Totals	55		-	55		-	
33	1/2 of Prorated Bills ¹							
34	Equivalent Bills	55						

34	Equivalent Bills	55																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													</
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¹Customer Base Charges are prorated for billing periods less than 25 days and greater than 35 days.

When homes change ownership during a month, two bills are generated. One for each owner for the portion of the month that owner took water service. The sum of the Minimum Charge billed on each of the two billings will be equal to the monthly minimum charge for the meter size. The reduction in bill count is necessary to avoid double counting billing units during months when account ownership changes. The reduction is based on the actual number of meters in this class discontinuing and establishing service during the test year.

Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT5

Arsenic Media Replacement Actual Data / Cost through 12-31-2011

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Media in Service Date	Media Exhaustion Date	Months in Service	Original Media Volume (Cu-Ft)	Replacement Media Volume (Cu-Ft)	Months in Service (Adjusted for Replacement Media Volume)	Media Cost	Vessel Coating Cost	Total Arsenic Media Replacement Cost	Actual Cost Per Month in Service	Cost Per Projected Months in Service
07-2009	11-2011	29	128	180	41	\$ 59,867.41	\$ 9,709.00	\$ 69,576.41	\$ 2,399.19	\$ 1,696.99
07-2009	In Service		128	180						
02-2011	In Service		228	228						
02-2011	In Service		228	228						

Normalized Arsenic Media Replacement Cost

[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]
Projected Months in Service as Lead Vessel	Projected Months in Service as Lag Vessel	Total Projected Months in Service	Media Volume Ratio ¹	Media Cost	Vessel Coating Cost	Total Arsenic Media Replacement Cost	Normalized Cost Per Month	Normalized Annual Cost
[6]	[12]	[12] + [13]		[7] * [15]	[8] * [15]	[16] + [17]	[18] / [14]	[19] * 12
41	41	82	1.00	\$ 59,867.41	\$ 9,709.00	\$ 69,576.41	\$ 848.49	\$ 20,364
							Number of Vessels	
							Normalized Monthly Cost Glendale	\$ 1,696.99
							2	
							Number of Vessels	
							Normalized Monthly Cost Bethany	\$ 2,149.52
							2	
							Normalized Monthly Cost Bethany	\$ 25,794
							Total Normalized Cost	\$3,846.50
								\$ 46,158

¹ Ratio of replacement media volume for Glendale A to required media replacement volume

Notes:

Glendale Vessel A exclusively used as lead vessel.
Glendale Vessel B exclusively used as lag vessel

Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT6

VALVE REPAIR DESCRIPTION	Scheduled Repair Date and Cost				
	2011 Actual	2012	2013	2015	2016
2011 Actual Valve Repairs -	\$ 18,382				
SW CORNER OF DYSART & OCOTILLO		\$912.31			
SE CORNER OF 133RD AVE. & ROSE LANE		\$912.31			
N.E. CORNER OF 134TH/CLAREMONT ST. 6" VALVE (REPLACE PACKING BOLT TO STAINLESS STEEL BOLTS)		\$912.31			
HERITAGE ELEM. SCHOOL 135 th AVE/OCOTILLO 6" VALVE PACKING LEAKS		\$912.31			
13101 W. OCOTILLO 6" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
6706 N. DYSART 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
6501 N. 131 st DR. 6" VALVE PACKING LEAKS IN THE OFF POSITION		\$912.31			
13124 W. MARYLAND 6" VALVE PACKING LEAKS IN THE OFF POSITION		\$912.31			
13501 W. MARLETTE 6" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
13501 W. MARYLAND 6" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
13712 W. CLAREMONT 4" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
VINEYARD APARTMENTS OCOTILLO FEED 6" VALVE LEAKS AT PACKING IN OFF POSITION		\$912.31			
VINEYARD APARTMENTS DYSART ROAD 6" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
6501 N. 135 th AVE. 6" VALVE PACKING LEAKS IN THE OFF POSITION		\$912.31			
5901 N. 129 th DR 6" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
6509 N. 134 th DR. 6" VALVE PACKING LEAKS IN OFF POSITION		\$912.31			
25 ^S OF 6509 N 134 th DR. 6" VALVE PACKING LEAKS IN THE OFF POSITION		\$912.31			
13012 W. SOLANO DR. 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13225 W. MCLELLAN 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13337 W. TUCKEY 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13227 W. SIERRA VISTA 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13235 W. TUCKEY 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13124 W. SIERRA VISTA 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13502 W. MARYLAND 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
12540 W. BETHANY HOMES RD. 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
12640 W. BETHANY HOMES RD 6" VALVE BROKE IN ON POSITION		\$912.31			
13808 W. MARYLAND 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
TO THE REAR OF 6149 N. 126TH AVENUE 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13708 W. CLAREMONT TAPPING SLEEVE 4" VALVE TO LITCHFIELD VILLAGE MOBILE HOME PARK		\$912.31			
138TH DRIVE & CLAREMONT TAPPING SLEEVE 4" VALVE TO LITCHFIELD VILLAGE MOBILE HOME PARK		\$912.31			
13012 W. SOLANO FIRE HYDRANT 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
GLENDAL WELLYARD 137TH & GLENDAL AVE. NE CORNER 12" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
U STORE IT @ DYSART & GLENDAL AVE. 12" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13702 WEST MARYLAND 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
135TH AVE. & CLAREMONT 6" VALVE VERY DIFFICULT TO OPERATE		\$912.31			
TO THE REAR OF 6150 NORTH 130TH AVE. 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
6028 N. 129TH AVE. 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
129TH AVE. & BETHANY 6" VALVE WILL NOT SHUT DOWN COMPLETELY AND IS VERY DIFFICULT TO OPERATE		\$912.31			
129TH DRIVE & SOLANO F.H. 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
129TH DRIVE & SOLANO F.H. 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
5901 NORTH 129TH DRIVE 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13022 WEST SOLANO 6" FH VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
13022 WEST SOLANO SW CORNER OF LOT 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
12520 WEST ROVEY SW CORNER OF LOT 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
BETHANY HILLS WEST PLANTSITE NW CORNER OF LOT 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
NORTH OF L. THOMAS HECK SCHOOL 8" VALVE WILL NOT SHUT DOWN COMPLETELY (DISTRIBUTION LINE)		\$912.31			
6328 N. 126TH AVE. SE CORNER OF LOT 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
6328 N. 126TH AVE. SW CORNER OF LOT BESIDE APS BOX 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
6211 N. 126TH AVE. NE CORNER OF LOT 6" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
12450 W. MARYLAND AVE. SW CORNER OF LOT 8" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
12609 W. MCLELLAN SW CORNER 8" VALVE WILL NOT SHUT DOWN COMPLETELY		\$912.31			
129TH AVE. & MARYLAND 200' FEET EAST 8" VALVE WILL NOT SHUT DOWN COMPLETELY (AC PIPE)		\$912.31			
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #1 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING		\$912.31			
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #1 6" VALVE NEEDS REPAIR-BOLTS-PACKING		\$912.31			

VALVE REPAIR DESCRIPTION	Scheduled Repair Date and Cost*				
	2011 Actual	2012	2013	2014	2015
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #1 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #10 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #10 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #13 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #18 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #18 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #27 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #27 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SE CORNER OF SPACE #30 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #35 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #35 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #35 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #44 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NE CORNER OF SPACE #44 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SE CORNER OF SPACE #47 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NW CORNER OF SPACE #53 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NW CORNER OF SPACE #53 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SE CORNER OF SPACE #65 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SE CORNER OF SPACE #65 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SE CORNER OF SPACE #65 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #73 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #73 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NW CORNER OF SPACE #70 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #82 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #82 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #82 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #90 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #90 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NW CORNER OF SPACE #87 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #99 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #99 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK SW CORNER OF SPACE #99 FH 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
135TH AVENUE ENTRANCE TO LITCHFIELD MOBILE HOME PARK 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
135TH AVENUE ENTRANCE TO LITCHFIELD MOBILE HOME PARK 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
LITCHFIELD VILLAGE MOBILE HOME PARK NW OF SPACE #10 6" VALVE NEEDS REPAIR-BOLTS-PACKING					\$912.31
* PROJECTED AMOUNT IS BASED ON AVERAGE COST OF ALL VALVES REPAIRED IN 2011.					
Total Actual/Estimated Cost \$ 18,382 \$ 15,509 \$ 16,422 \$ 16,422 \$ 17,334					
Total Program Cost \$ 99,578					
Normalized 6-Year Average Cost \$ 16,596					

Valley Utilities Water Company, Inc.

Ray Jones Direct Testimony

Exhibit RLJ-DT7

[illegible]